

April 25, 2012

The Regular Meeting of the Hanover Sewerage Authority, County of Morris and State of New Jersey, was held on Wednesday, April 25, 2012 at 8:32 in the evening, prevailing time, at the Municipal Building, 1000 Route 10, Whippany, New Jersey.

PRESENT: Chairman Schleifer, Members O'Hare and Fariello; Michael C. Wynne, P.E., Executive Director, Liaison Ferramosca, Silvio Esposito, Treasurer and Christopher Falcon, Esq.

ABSENT: Member O'Brien and Galacki

STATEMENT OF PRESIDING OFFICER

Adequate notice of this meeting has been provided in accordance with the Open Public Meeting Act by posting written notice and agenda of the meeting on the Bulletin Board in the Municipal Building, 1000 Route 10, in the Township of Hanover, and by informing the following newspapers:

HANOVER EAGLE/REGIONAL WEEKLY NEWS
MORRIS COUNTY DAILY RECORD

And by filing same with the Township Clerk.

(Signed) Joseph Schleifer, Chairman

The Executive Director, Michael Wynne, noted that the following correspondence was received:

1. OMNI ENVIRONMENTAL LLC

- a. 04/06/2012 Proposal re: Environmental Consulting Services

2. VM ASSOCIATES

- a. 04/04/2012 Email re: 2011 Audit and Synopsis

3. STATE OF NEW JERSEY

- a. 04/09/2012 Letter re: Pretreatment Program Annual Report Review

4. WAXMAN & SCHAFFER

- a. 04/13/2012 Transcript re: HSA Conference Meeting March 28, 2012

5. PROOF OF PUBLICATION

- a. 04/05/2012 Daily Record re: Resolution No. 32-12 Amend Connection Fee
- b. 04/05/2012 Star Ledger re: Resolution No. 32-12 Amend Connection Fee

RESOLUTIONS

Member O'Hare offered the following resolution and moved its adoption.

RESOLUTION NO. 40-12 TO AMEND THE RATE SCHEDULE OF THE HANOVER SEWERAGE AUTHORITY PERTAINING TO THE CALCULATION OF CONNECTION FEES

WHEREAS, the Hanover Sewerage Authority (hereinafter "the Authority") is authorized by the Sewerage Authorities Law (N.J.S.A.40:14A-7) to make and enforce rules and regulations for the management and regulation of its business and affairs; and

WHEREAS, the Authority is further authorized pursuant to N.J.S.A. 40:14A-8 to charge and collect rates, fees, and other charges for the use of and connection to the sewerage system of the Authority and to amend the same from time to time; and

WHEREAS, the Authority has re-examined the factors which it utilized in connection with the calculation of the Connection Charge which took effect on December 1, 2012; and

WHEREAS, the Authority has determined that by reason of a sudden significant drop in the volume of sewage collected and treated by the Authority in 2011 in comparison to the use which had typically and consistently been experienced for more than 10 years, the Connection Charge calculated, yielded an artificially skewed result; and

WHEREAS, the Authority desires to fairly and equitably moderate the effects, either upward or downward, of unusual factors such as dry or wet annual periods, unexplained diminished or heavy use of the sewerage system, or other unanticipated events; and

WHEREAS, the Authority has determined following deliberations, and on the basis of recommendations from the Authority Executive Director and Treasurer, that the use of a rolling average calculation of sewerage flows would buffer the rate, making calculations from the effects of widely fluctuating influencing factors bearing no relation

to the fair recovery of capital expense heretofore experienced by the Authority through the imposition and collection of connection charges; and

WHEREAS, there is accordingly a need to revise and amend Appendix I of the Regulations, Specifications and Rate Schedule of the Hanover Sewerage Authority.

WHEREAS, the Authority has considered certain amendments to the Rate Schedule of the Authority at the meeting of March 28, 2012 as set forth in Resolution No. 32-12; and

WHEREAS, a copy of Resolution 32-12 was published in accordance with N.J.S.A. 40:14A-8 and a hearing was held thereon on April 25, 2012 at 8:30 p.m. at the Municipal Building, 1000 Route 10, Whippany, New Jersey.

NOW, THEREFORE, BE IT RESOLVED by the Hanover Sewerage Authority in the County of Morris and State of New Jersey on this 25th day of April, 2012 as follows:

1. Appendix I, Section 3 “Connection Charges”, and Subsection b) thereof entitled “Purpose” is amended in its entirety to read as follows:
 - b) Purpose. The purpose of the connection charge is to assess the connector with its proportionate share of the cost of the System. In so doing, the new connector stands on a footing comparable to existing customers. This is done by determining the total debt service charges and net expenditures from the Improvement and Retirement Fund or other capital funds for betterments and/or improvements paid by prior customers connected to the System and dividing this figure by the number of equivalent units to determine the connection fee. The number of equivalent units shall be calculated each year based upon a rolling average for the preceding five fiscal years. The connection charge shall be calculated for each fiscal year commencing December 1 based upon the prior year’s debt service, capital expenditure and five year rolling average equivalent unit flow data.
2. Appendix I, Section 9 “Fee Schedule”, and Subsection c) thereof “Connection Charges” is amended in its entirety to read:

c) Connection Charges	
Basic Connection Charge	\$5,500.00
Average Sewage Flow	195 gpd

3. The balance of Appendix I remains otherwise unchanged.

4. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid by a court of competent jurisdiction, such validity shall not affect other provisions of the Resolution and to this end the provisions of this Resolution are declared to be severable.

5. This Resolution shall take effect as provided by law.

DATED: April 25, 2012

HANOVER SEWERAGE AUTHORITY
COUNTY OF MORRIS
STATE OF NEW JERSEY

ATTEST:

Member Fariello seconded; there was unanimous roll call approval.

AYES: Chairman Schleifer, Members, Fariello and O'Hare

ABSENT: Member O'Brien and Galacki

RESOLUTION NO. 41-12

WHEREAS, N.J.S.A. 40A:5A-15 requires members of each local Authority to cause an Annual Audit of its accounts to be made, and

WHEREAS, the Annual Audit Report for the fiscal year ended November 30, 2010 has been completed and filed with the Hanover Sewerage Authority pursuant to N.J.S.A. 40A:5A-15; and

WHEREAS, N.J.S.A. 40A:5A-17 requires the governing body of each Authority to, within 45 days of receipt of the Annual Audit, certify the Resolution to the Local Finance Board that each member thereof has personally reviewed the Annual Audit Report, and specifically the sections of the Audit Report entitled "General Comments" and "Recommendations" and has evidenced same by group affidavit in the form prescribed by the Local Finance Board; and

WHEREAS, the members of the Hanover Sewerage Authority have received the Annual Audit and have personally reviewed the Annual Audit and have specifically reviewed the sections of the Annual Audit Report entitled "General Comments" and "Recommendations" in accordance with N.J.S.A. 40A:5A-17.

NOW, THEREFORE, BE IT RESOLVED that the members of the Hanover Sewerage Authority hereby certify to the Local Finance Board of the State of New Jersey that each governing body member has personally reviewed the Annual Audit Report for the fiscal year ended November 30, 2010 and specifically has reviewed the sections of the audit report entitled

“General Comments” and “Recommendations”, and has evidenced same by group affidavit in the form prescribed by the Local Finance Board.

BE IT FURTHER RESOLVED, that the Secretary of the Authority is hereby directed to promptly submit to the Local Finance Board the aforesaid group affidavit, accompanied by a certified true copy of this Resolution.

DATED: April 25, 2012

HANOVER SEWERAGE AUTHORITY
COUNTY OF MORRIS
STATE OF NEW JERSEY

ATTEST:

Member O’Hare offered the following resolution and moved its adoption.

RESOLUTION NO. 42-12

WHEREAS, the Hanover Sewerage Authority (hereinafter the “Authority”) has entered into Contract 37, Digester Improvements, with MBE Mark III Electric, Inc. (MBE); and

WHEREAS, the initial contract amount was \$2,745,000.00; and

WHEREAS, the Authority has reviewed the Request for Change Order filed with the Authority by the Executive Director in support of Change Order No. 6; and

WHEREAS, the Authority is satisfied that the proposed Change Order is justified and meets the requirements of N.J.A.C. 5:30-11.8 et seq; and

WHEREAS, the Treasurer has certified that funds are available,

NOW, THEREFORE, BE IT RESOLVED by the Hanover Sewerage Authority in the County of Morris and State of New Jersey on this 25th day of April, 2012 as follows:

1. The Chairman is authorized to execute an amendment to the Contract in the credit amount of \$22,901.42 (Change Order No. 5) for the work described in the aforesaid Request for Change Order in the form submitted to the Authority.
2. The adjusted contract amount shall be \$3,206,231.81
3. This Resolution shall take effect as provided by law.

DATED: April 25, 2012

HANOVER SEWERAGE AUTHORITY
COUNTY OF MORRIS
STATE OF NEW JERSEY

ATTEST:

Member Fariello seconded; there was unanimous roll call approval.

AYES: Chairman Schleifer, Members, Fariello and O’Hare

ABSENT: Member O'Brien and Galacki

Member O'Hare offered the following resolution and moved its adoption.

RESOLUTION NO. 43-12

BE IT RESOLVED by the Hanover Sewerage Authority in the Township of Hanover, County of Morris and State of New Jersey as follows:

1. The Chairman is authorized and directed to sign new or revised Service Agreements in the form approved by the Authority with the following as shown on the Tax Map of the Township of Hanover.

<u>OWNER</u>	<u>BLOCK/LOT</u>
Quick Chek Corporation	4204 / 6
Harms Realty LLC	3002 / 7.41
Whippany Village, LLC	7501 / 10.01

2. **This Resolution shall take effect as provided by law.**

DATED: April 25, 2012

HANOVER SEWERAGE AUTHORITY
COUNTY OF MORRIS
STATE OF NEW JERSEY

ATTEST:

Member Fariello seconded; there was unanimous roll call approval.

AYES: Chairman Schleifer, Members, Fariello and O'Hare

ABSENT: Member O'Brien and Galacki

RESOLUTION NO. 44-12

VACATING SEWER EASEMENT

WHEREAS, the Hanover Sewerage Authority ("HSA") is the owner of three easements acquired for the purpose of the provision of public sewerage facilities and services in, over and upon the lands of presently owned by Whippany Village LLC; and

WHEREAS, the said public sewer easements are located in, over and upon Block _7402_ Lot _10.01_ on the Tax Map of Hanover Township; and

WHEREAS, HSA finds that the said public sewer easements are no longer necessary for the purposes of the sewerage authority; and

WHEREAS, HSA is a public body politic and corporate constituting a political subdivision of the State of New Jersey authorized to dispose of property no longer needed for its purposes pursuant to N.J.S.A. 40:14A-7 and N.J.S.A. 40:14A-27.

NOW, THEREFORE, BE IT RESOLVED by the Hanover Sewerage Authority in the State of New Jersey on this 25th day of April, 2012 as follows:

1. The aforesaid public sewerage easements are hereby VACATED.

2. The area previously occupied by the public sewerage easements shall revert to the owner of the premises as provided by law and is described in Schedule A: (described as

BEING a portion of Tax Lot 10.01, Block 7402 as delineated on plans entitled "Minor Subdivision & Preliminary & Final Site Plan For Buildings A, B, C & E, Whippany Village, Phase 2, Block 7402, Lots 2.01, 2.02, 6, 7 & 8 and Block 7501, Lots 1.01 & 10, Township of Hanover, Morris County, New Jersey, Tax Map Sheets 74 & 75" dated to August 12, 2011 and prepared by Omland Engineering Associates, Inc., being the same easements as conveyed to the Hanover Township Sewage Authority in Deed Book 1903 at Pages 790, 798 and 806, more particularly described as follows:

and prepared by Omland Engineering Associates, Inc., dated April 9, 2012)

3. A copy of this Resolution shall be published in an Official Newspaper of the Authority within 30 days of the date hereof and recorded in the Office of the Morris County Clerk.

4. This Resolution shall take effect as provided by law.

DATE: April 25, 2012

ATTEST:

HANOVER SEWERAGE AUTHORITY
COUNTY OF MORRIS
STATE OF NEW JERSEY

Member Fariello seconded; there was unanimous roll call approval.

AYES: Chairman Schleifer, Members, Fariello and O'Hare

ABSENT: Member O'Brien and Galacki

Member O'Hare offered the following resolution and moved its adoption.

RESOLUTION NO. 45-12

WHEREAS, the Sewerage Authorities Law (N.J.S.A. 40:13A-1 et seq) authorizes every authority to appoint and employ such professional and technical advisors and experts as it may require; and

WHEREAS, the Hanover Sewerage Authority desires to retain the services of legal counsel, employment counsel and consulting engineers as a non-fair and open contract pursuant to provisions of N.J.S.A. 19:44A-20.5; and

WHEREAS, the Executive Director has determined and certified in writing that the value of the acquisition will exceed \$17,500; and

WHEREAS, the anticipated term of this contract is one year, and;

WHEREAS, the firm listed has submitted a proposals indicating they will provide the described services, and;

WHEREAS, the firm has completed and submitted a Business Entity Disclosure Certification which certifies that the firm has not made any reportable contributions to a political or candidate committee in the Township of Hanover in the previous one year, and that the contract will prohibit the firm from making any reportable contributions through the end of the contract, and;

WHEREAS, the Treasurer has stated that certified funds are available for these services; and

WHEREAS, the Authority is authorized to enter into contracts for professional services without public advertising for bids pursuant to N.J.S.A. 40A:11-5, provided notice of the award is published; and

NOW, THEREFORE, BE IT RESOLVED by the Hanover Sewerage Authority, County of Morris and State of New Jersey on this 25th day of April 2012 as follows:

1. The Chairman and Executive Director are hereby authorized and directed to execute agreements for Professional Services with

Firm	Service
Omni Engineering Associates, Inc.	Engineering

2. A brief notice shall be published in the Hanover Eagle/Regional Weekly News stating the nature, duration, service and amount of the contracts and that this Resolution and contracts are on file for public inspection at the office of the Hanover Sewerage Authority, 1000 Route 10, Whippany, New Jersey.

The Executive Director asked for a motion to approve the following changes. Chairman Schleifer made the motion, Member Fariello seconded. There was unanimous roll call approval.

Implementation of Connection Fee Credit
JIF Employee Manual Changes

REPORTS

Member O'Hare moved the following reports be accepted and filed as received; Chairman Schleifer seconded; there was unanimous approval.

Plant Operations Report – dated March 22 – April 18, 2012
Plant Operations Weekly Meetings Report – dated March 22 – April 18, 2012
Hatch Mott MacDonald Report – dated April 20, 2012
Collection System Status Report – dated March 22 – April 18, 2012
Treasurers Report – dated March 30, 2012
Superintendents Report # 705 – dated March 2012
IPP Report - dated March 9 – April 19, 2012

Member Fariello moved the payment of bills be confirmed and authorized as listed; Member O'Hare seconded; there was unanimous approval.

<u>REVENUE FUND 111</u>	\$ 23,000.00
<u>REVENUE FUND 112</u>	\$154,282.30
<u>REVENUE FUND 201</u>	\$ 74,202.53
<u>PLANT EXPANSION FUND 301</u>	\$217,519.44
<u>PLAN REVIEW FUND 401</u>	\$ 4,415.94
<u>PAYROLL</u>	\$182,721.47
<u>OTHER BUSINESS</u>	

Bills list is maintained in a separate file.

OPEN TO THE PUBLIC

Chairman Schleifer opened the meeting to the public, there being no public, the meeting was closed to the public at 8:37 p.m.

ADJOURNMENT – Chairman Schleifer accepted a motion to adjourn at 8:37 pm.

Respectfully submitted,

Michael C. Wynne, P.E.
Executive Director