MAY 28, 2014

The Regular Meeting of the Hanover Sewerage Authority, County of Morris and State of New Jersey, was held on Wednesday, May 28, 2014 at 8:30 in the evening, prevailing time, at the Municipal Building, 1000 Route 10, Whippany, New Jersey.

PRESENT: Chairman Schleifer; Members Byrne, Corona, Dittrick, and O'Brien; John Ferramosca, Liaison, Silvio Esposito, Treasurer; Michael C. Wynne, P.E., Executive Director; Christopher Falcon, Esq.

ABSENT: None

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

(Signed) Chairman
Joseph Schleifer

The Executive Director indicated that the Public Hearing public noticed for this evenings' meeting was being postponed to the June 25th meeting due to a public noticing error.

COMMUNICATIONS

1. HATCH MOTT MACDONALD

a. 05/15/2014 Letter re: Contract 38 Payment No. 3

b. 05/19/2014 Letter re: Hangar No. 6

c. 05/21/2014 Letter re: Contract 38 Project Schedule

2. HAWKINS DELAFIELD & WOOD

a. 05/12/2014 Email re: NJEIT Final Loan Terms

3. TOWNSHIP OF HANOVER

a. 05/16/2014 Letter re: William Byrne Appointment

4. **PROOF OF PUBLICATION**

a. 04/28/2014 Daily Record re: Connection Fee Regulation Changes

b. 05/01/2014 Hanover Eagle re: 2013 Audit Synopsis

c. 05/01/2014 Hanover Eagle re: Connection Fee Regulation Changes

RESOLUTIONS

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

RESOLUTION 37-14

WHEREAS, the Hanover Sewerage Authority has determined that it is in the public interest to challenge the Phosphorus TMDL issued by NJDEP pertaining to Phosphorus effluent limitations; and

WHEREAS, the Authority Attorney has recommended that certification of the Appellate Division decision be sought in Supreme Court of New Jersey;

NOW, THEREFORE, BE IT RESOLVED by the Hanover Sewerage Authority in the County of Morris in the State of New Jersey on this 28th day of May, 2014 as follows:

1. The Authority hereby authorizes the Authority Attorney to seek certification as above set forth.
2. This Resolution shall take effect immediately.

HANOVER SEWERAGE AUTHORITY
COUNTY OF MORRIS
STATE OF NEW JERSEY

DATED: May 28, 2014

ATTEST:

The Resolution was seconded by Chairman Schleifer and adopted by the following roll call vote:

AYES: Chairman Schleifer, Members Byrne, Corona, Dittrick, and O'Hare

Absent: None

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

RESOLUTION NO 38-14

RESOLUTION 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 Connection Charge in light of relevant judicial decisions including, but not limited to, *Nestle USA-Beverage Division, Inc. v. Manasquan River Regional Sewerage Authority*, 330 N.J. Super. 510 (App. Div. 2000) and *Ocean Seniors, LLC v. Tp. of Ocean Sewerage Auth.*, Dkt. No. A–5290–09T4 (App. Div. 2011); 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.

NOW, THEREFORE, BE IT RESOLVED by the Hanover Sewerage Authority in the County of Morris and State of New Jersey on this 28th day of May, 2014 as follows:

1. Appendix I, Section 3 "Connection Charges," and Subsection c. thereof entitled "Residential Units" is proposed to be amended in its entirety to read as follows:

c. Residential Units.

The connection fee for residential units shall be the basic connection charge as hereinafter provided except for dwelling units existing prior to 1962 which shall be charged $100 for each residential unit in the building to be connected. An additional connection charge shall be assessed for any new or additional physical connection, including the enlargement or modification of an existing connection, to the sewer system.

If it is the intention of the applicant to initially use less than the entire flow allocated to it, then it can request that payment of the portion of the connection fee relating to any later phase of development/use be deferred until such time as it implements its full, intended build-out/use of the site.

If at a later date, the applicant applies for a direct connection to the sewer system applicable to a new or additional structure, a new connection charge shall be assessed. Article V, "Connections," Section 501, Subsection d, thereof, establishes that separate and independent sewer connections are required, unless an applicable exception exists under Subsection d, which is granted at the discretion of the Engineer and with the approval of the Authority, whereupon an indirect connection may be granted. An indirect connection authorized as an accommodation, at the discretion of the Engineer and with the approval of the Authority, shall constitute an additional connection and shall be assessed an additional connection charge.

2. Appendix I, Section 3 "Connection Charges," and Subsection d. thereof "Non-Residential Units" is proposed to be amended in its entirety to read:

d. Non-Residential Units

For purpose of this section, the term "user" means not only the party paying the initial connection fee but all successors in interest.

The basic connection charge for the current fiscal period shall be in accordance with the attached Fee Schedule.

A connection charge shall be assessed for any new or additional physical connection, including the enlargement or modification of an existing connection, to the sewer system. The connection fee for non-residential units shall be a minimum of the basic connection fee based upon the applicant's anticipated daily flow as hereinafter provided. In the case of each non-residential use, the Authority's Consulting Engineer shall recommend approval of a projected current daily flow (gpd) and, where applicable, future daily flow (gpd) following analysis of data submitted by the applicant, generally accepted engineering and planning data on flow generation for the use proposed, the site plan as approved by the Township including especially any deferred parking, build-out/phasing analysis and other information about the proposed use. Thereafter, the connection fee shall be calculated as follows:

Approved flow (gpd) ÷ Average residential flow (gpd) x Basic connection charge = connection fee (rounded to next highest $100.00).

If it is the intention of the applicant to initially use less than the entire flow allocated to it on the basis of the foregoing analysis, then it can request that payment of the portion of the connection fee relating to any later phase of development/use be deferred until such time as it implements its full, intended build-out/use of the site.

If at a later date, the applicant applies for a direct connection to the sewer system applicable to a new or additional structure, a new connection charge shall be assessed. Article V, "Connections," Section 501, Subsection d, thereof, establishes that separate and independent sewer connections are required, unless an applicable exception exists under Subsection d, which is granted at the discretion of the Engineer and with the approval of the Authority, whereupon an indirect connection may be granted. An indirect connection authorized as an accommodation, at the discretion of the Engineer and with the approval of the Authority, shall constitute an additional connection and shall be assessed an additional connection charge.

3. The balance of Appendix I remains otherwise unchanged.

4. A copy of this Resolution shall be published in accordance with N.J.S.A. 40:14A-8 and a hearing held thereon on June 25, 2014 at 8:30 p.m. at the Municipal Building, 1000 Route 10, Whippany, New Jersey.

5. 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.

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

DATED: May 28, 2014

HANOVERSEWERAGE AUTHORITY
COUNTY OF MORRIS
STATE OF NEW JERSEY

ATTEST:

The Resolution was seconded by Chairman Schleifer and adopted by the following roll call vote:

AYES: Chairman Schleifer, Members Byrne, Corona, Dittrick, and O'Hare

Absent: None

Chairman Schleifer moved the following reports be accepted and filed as received; Member Corona seconded; there was unanimous approval. Absent: None

REPORTS

Plant Operations Report – dated April 16 – May 21, 2014
Hatch Mott MacDonald Report – dated May 28, 2014
Collection System Status Report – dated April 15 – May 21, 2014
Treasurers Report – dated April 30, 2014
Superintendents Report # 730 - dated April, 2014
IPP Report – dated February 15 – March 15, 2014 and March 16 – April 18, 2014
High Flow Report – dated April 30 – May 1, 2014

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

MAY 2014

REVENUE FUND 113	$ 7,309.33
REVENUE FUND 114	$384,314.11
REVENUE FUND 201	$ 0.00
PLANT EXPANSION FUND 301	$127,037.18
PLAN REVIEW FUND 401	$ 3,265.09
PAYROLL	$214,922.35

OTHER BUSINESS - None

OPEN TO PUBLIC - None present

ADJOURNMENT The Chairman accepted a motion to adjourn the meeting. Member O'Hare made the motion, Chairman Schleifer seconded; there was unanimous roll call approval. The meeting adjourned at 8:33 p.m.

Respectfully submitted,

Michael C. Wynne, P.E.
Executive Director