



**MINUTES
SPECIAL MEETING
January 12, 2015**

1. The Chairman called the special meeting to order at 7:19 pm.
2. The Chairman read the statement in compliance with C. 231, PL 1975.
3. Roll Call: the following Commissioners were present: Bonagura, DaPuzzo, DePhillips, Gabbert, Kasparian, Kelaher, Plumley, Salazer and Chairman Chewcaskie.
4. Salute to the Flag was led by the Chairman.
5. Chairman's Remarks:

Discussion on the 2015 Service Charges:

Mr. Hurwitz explained that the Final Service Charges are based on a twelve (12) month analysis and only small changes occur from the Preliminary Service Charges which is based on an eleven (11) month analysis. The Services Charges total is approved in the annual budget and the member municipalities' Service Charges are divided up based on that total. So if one municipality is paying more then another is paying less; it is a zero sum game.

The total Service Charges cannot change from the number in the approved Budget without a budgeting hearing. The overall Service Charges decreased about 0.28% from year 2014. The biggest member reduction was Midland Park whose charges went down approximately 5%. The biggest increase was Wyckoff which increased approximately 1.7%.

There are 3 components for the calculation of the Service Charges: Sewage flow which accounts for 60%, Water usage, more specifically the winter months' usage, which accounts for 20%, and equivalent dwelling units (EDUs) which accounts for 20% (60-20-20). The EDUs went down a little bit this year, most likely due to a reduction in commercial property, not residential.

Chairman Chewcaskie noted that the formula for the calculation was established due to litigation in the early 1980's. It was determined that the 60-20-20 formula was fairer for the calculation of service charges rather than solely basing it on the metered sewage flow. This is the formula that the Authority has been using since then.

Mr. Hurwitz explained that other Authorities base the charges on both flow and waste water quality, with those municipalities with the poorer waste quality paying a larger service charge. But infrequent sampling of the water quality can result in inconsistent results.

Commissioner Bonagura asked what happens when there are wells. Chairman Chewcaskie responded that Allendale and Mahwah have wells and there is a formula that they use to determine the usage. Franklin Lakes was provided the information on how to measure the quantity of water based on the wells. The Consulting Engineer for Franklin Lakes is Boswell Engineering and they are also the Engineer for Water and Sewer in the Township of Mahwah so they know what it works. Commissioner DaPuzzo added that each EDU is assigned a volume and it is calculated into the equation.

6. Public Hearing – 2015 Service Charges

There were no public comments.

7. Resolution No. 01-2015 – 2015 Service Charges was offered by Commissioner Gabbert and seconded by Commissioner Kasparian. All Commissioners voted in favor of passing Resolution No. 01-2015.

Resolution 01-2015 – 2015 Service Charges: The 2015 Fiscal year budget calls for \$11,966,700 to be paid by the member municipalities to the Authority for security of payment of principal and interest on outstanding bonds or other obligations, cost of operation, depreciation and other repair of the district's sewer system including establishment and maintenance of working capital and reserves. By Resolution dated November 3, 1983, it was determined to calculate User Service Charges based upon a formula which gave equal weight to adjusted metered flow, water connections based on equivalent dwelling unit, and water usage. That resolution further provided that effective January 1, 1987 User Service Charges be calculated according to a formula of 60% based on adjusted metered flow, 20% based on water connections and 20% based on water usage. The payments of the Service Charges are to be made in quarterly installments due on or before February 15th, May 15th, August 15th, and November 15th. The Service Charges for the municipalities for 2015 are as follows:

Allendale:	\$1,459,810
Ho-Ho-Kus:	\$610,054
Franklin Lakes:	\$28,331
Mahwah:	\$3,662,391
Midland Park:	\$1,025,785
Ramsey:	\$2,140,706
Ridgewood:	\$24,310
Waldwick:	\$1,500,393
Wyckoff:	\$1,514,990

9. A motion was made by Commissioner DaPuzzo to adjourn the meeting at 7:29pm and seconded by Commissioner Kasparian. All Commissioners were in favor of adjourning the meeting at 7:29pm and move on to the Regular Meeting.


Alison Gordon, Secretary