

BERNARDS TOWNSHIP SEWERAGE AUTHORITY
Public Hearing
1 Collyer Lane
Basking Ridge, New Jersey 07920
Tuesday, November 23, 2021
Commencing at 6:30 p.m.

RE: 2022 Rate Hearing : TRANSCRIPT
: OF THE
: PROCEEDINGS

M E M B E R S P R E S E N T:

KEVIN ORR, Chairperson
JOAN BANNAN, Vice Chairperson (Telephonically)
JANICE FIELDS, Member
JOHN CRANE, Member

A L S O P R E S E N T:

THOMAS TIMKO, Authority Director
ROBERT RAYMOND, Superintendent
SUSAN LONG, Board Secretary

A P P E A R I N G T E L E P H O N I C A L L Y:

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BY JOHN BELARDO, ESQ.
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REPORTED BY:
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E X H I B I T S

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BTSA-1	Affidavit of Publication, dated October 20, 2021, for The Courier News	5
BTSA-2	Public Notice, Dated October 15, 2021	5
BTSA-3	Affidavit of Publication, Dated October 21, 2021, For The Bernardsville News	5
BTSA-A4	One-Page Memorandum, dated November 23, 2021, "2022 User Fees, 2022 Sewer Connection Fee, Rate Scheduled Rules and Regulations,"	5

1 CHAIRMAN ORR: Okay. It's six-thirty.
2 If we are good to go, Sue? I would like to call this
3 meeting to order of the Bernards Township Sewerage
4 Authority, the regular meeting, November 23, 2021.
5 First item on the agenda is the Pledge of Allegiance.

6 (At this point in the proceedings the
7 flag is saluted.)

8 CHAIRMAN ORR: Next on the agenda is
9 our roll call. Mr. Timko?

10 (At this point in the proceedings the
11 roll call is taken with Ms. Bannan (telephonically),
12 Ms. Fields, Chairman Orr and Mr. Crane being
13 present.)

14 CHAIRMAN ORR: The next item on our
15 agenda is our Open Public Meetings Statement. In
16 accordance with -- I should know this by heart. So
17 in accordance with our bylaws and rules and
18 regulations, notice of this meeting was mailed to The
19 Bernardsville News, Whippany, New Jersey, The Courier
20 News, Somerville, New Jersey, and posted on the
21 bulletin board, all on January 4, 2021.

22 Any motion to go into closed session
23 will be deemed to include a motion that matters
24 discussed at such closed session will be disclosed to
25 the public when such matters are finally determined

1 and there is no reason for us to prohibit the public
2 disclosure of information relating to such matters.

3 Next on our agenda, and I'm talking
4 about our Rate Hearing agenda which we've scheduled
5 to take first, is the presentation of the proposed
6 2022 User Fee and Sewerage Connection Fee by
7 Authority Director Thomas Timko. Mr. Timko?

8 MR. TIMKO: John, you have to give me
9 the oath, now.

10 MR. BELARDO: Yes. Okay, here we go.
11 Mr. Timko, if you would raise your right hand and
12 repeat after me? In connection with your testimony
13 at this rate hearing tonight, do you swear to tell
14 the truth, the whole truth and nothing but the truth
15 so help you G-d?

16 MR. TIMKO: I do.

17 MR. BELARDO: You are sworn and you
18 may recite the advertisement of the meeting,
19 Mr. Timko.

20 MR. TIMKO: This meeting has been duly
21 advertised on October 20, 2021 at The Courier News,
22 Somerville, New Jersey.

23 MR. BELARDO: And I would like to
24 indicate that I have previously marked as BTSA
25 Exhibits One, Two and Three, the proof of publication

1 and the advertisements themselves in our official
2 newspapers; The Courier News and The Bernardsville
3 News. And I would note that the advertisements
4 precede the date of this hearing by 20 days or more.

5

6 (Exhibit BTSA-1, Affidavit of Publication,
7 dated October 20, 2021, for The Courier News, is
8 received by the Reporter.)

9 (Exhibit BTSA-2, Public Notice, Dated
10 October 15, 2021, is received by the Reporter.)

11 (Exhibit BTSA-3, Affidavit of Publication,
12 dated October 21, 21, for The Bernardsville News, is
13 received by the Reporter.)

14 MR. BELARDO: That being said,
15 Mr. Timko, do you have a written text of remarks to
16 offer as an exhibit?

17 MR. TIMKO: I do.

18 MR. BELARDO: And I have noted that
19 that one-page memorandum, dated November 23, 2021,
20 captioned, "2022 User Fees, 2022 Sewer Connection
21 Fee, Rate Scheduled Rules and Regulations,"
22 consisting of one page, has been previously marked as
23 BTSA Exhibit A4.

24

25 (Exhibit BTSA-A4, One-Page Memorandum, dated

1 November 23, 2021, "2022 User Fees, 2022 Sewer
2 Connection Fee, Rate Scheduled Rules and
3 Regulations," is received by the Reporter.)

4 MR. BELARDO: That being said,
5 Mr. Timko, you may proceed with your testimony.

6 MR. TIMKO: So first I'll present the
7 2022 User Fee. As per the discussion of the
8 Authority's reserved funds policy at the September
9 budget introduction meeting, I am recommending the
10 Authority establish the 2022 User Fee at the rate of
11 \$500, zero cents, per equivalent dwelling unit, which
12 is a \$0 increase to the user fee from the previous
13 year. In addition, the 2022 User Fee will be \$200,
14 zero cents, per equivalent dwelling unit for all
15 seniors-in-need households that are established by
16 the Tax Collector.

17 In the User Fee calculation, the total
18 of all anticipated revenue sources are subtracted
19 from the anticipated operating expense requirements.
20 The difference equals the amount that must be raised
21 by User Fees and Rate Stabilization. The amount
22 raised by User Fees is divided by the number of
23 equivalent dwelling units, or 10,777 EDUs in 2022.
24 The result equals the calculated User Fee per
25 equivalent dwelling unit.

1 MR. BELARDO: Thank you, Mr. Timko.

2 Is there any cross examination by members of the
3 Authority concerning Mr. Timko's testimony on the
4 User Fee?

5 CHAIRMAN ORR: Hearing and seeing
6 none, none, Mr. Belardo.

7 MR. BELARDO: Thank you, Mr. Chairman.
8 Mr. Timko, you may proceed with the 2022 Connection
9 Fee in Exhibit BTSA-4.

10 MR. TIMKO: For the 2022 Connection
11 Fee, the Authority's CFO and I are recommending the
12 Authority establish the 2022 Connection Fee at \$7,546
13 and zero cents per equivalent dwelling unit based on
14 the calculation as outlined below, which is a 1.96%
15 increase over the 2021 connection fee of \$7,401, zero
16 cents.

17 NJSA 40:14A-8 establishes the method
18 for Connection Fee determination.

19 All Authority payments towards the
20 cost of the system shall be added together, including
21 debt service, (including but not limited to sinking
22 funds, reserve amount of any loans and interest
23 thereon paid by the Authority to defray the capital
24 cost of building the system). These expenditures
25 shall be added to all capital expenditures made by

1 the Authority, not funded by a bond ordinance or debt
2 for the development of the system.

3 From this amount shall be subtracted
4 any gifts, contributions or subsidies to the
5 Authority received from, and not reimbursed or
6 reimbursable to any Federal, State, County or
7 municipal government agency or any private person.
8 Added to this shall be any service agreement or
9 contract paid to the Authority by a public entity.

10 The remainder shall be divided by the
11 total number of service units served by the Authority
12 at the end of the immediately preceding fiscal year
13 of the Authority to produce the connection
14 contribution to the cost of the system during the
15 upcoming fiscal year.

16 The Connection Fee shall be computed
17 at the end of each fiscal year.

18 Are there any comments or questions
19 from the Board?

20 CHAIRMAN ORR: Hearing none and seeing
21 none, please continue.

22 MR. BELARDO: Okay. Hearing none,
23 Mr. Chairman, you may ask the public for public
24 comments and questions.

25 MR. ORR: Thank you, Mr. Belardo. At

1 this time I'm now going to open up the meeting to the
2 public. If there is any member of the public wishing
3 to step forward and ask any questions regarding this
4 particular aspect of our meeting, that is limited to
5 the User Fee and Sewerage Connection Fee, now would
6 be the time to do so.

7 We have one person approaching. I
8 would just ask that you state your name and your
9 address for the record.

10 MR. EDELSTEIN: Todd Edelstein,
11 E-D-E-L-S-T-E-I-N, 172 Riverside Drive. I just want
12 to thank the Authority, maintain the User Fee at the
13 same levels as last year.

14 CHAIRMAN ORR: Thank you.

15 MS. FIELDS: Thank you.

16 CHAIRMAN ORR: If there is any other
17 member of the public wishing to come forward, now
18 would be the time to do so.

19 MR. BELARDO: If there are none,
20 Mr. Chairman, you may close the public hearing and
21 entertain a motion to adopt the 2022 Connection Fee
22 and 2022 User Fee.

23 CHAIRMAN ORR: Thank you, Mr. Belardo.
24 We do have one more member of the public.

25 I would just ask that your comment be

1 limited to the issue.

2 WOMAN: That's what I wanted to know,
3 if we are going to have the time to talk again about
4 something else?

5 CHAIRMAN ORR: Yes.

6 WOMAN: Okay. All right. Thank you.

7 CHAIRMAN ORR: If there is any other
8 member of the public wishing to come forward and ask
9 about the User Fee or Connection Fee only, now would
10 be the time to do so.

11 Seeing no one, I'm going to then close
12 the public portion and ask that the Board Members,
13 somebody make a motion and we'll have it seconded to
14 adopt the 2022 User Fee and 2022 Sewerage Connection
15 Fee Rate Schedules and Regulations.

16 MS. FIELDS: I make a motion for the
17 2022 User Fee and 2022 Sewer Connection Fee Rate
18 Schedule Rules and Regulations.

19 CHAIRMAN ORR: Ms. Field makes the
20 motion. Second?

21 MR. CRANE: I'll second.

22 MS. BANNAN: I'll second. Give it to
23 Joan.

24 CHAIRMAN ORR: Ms. Bannan has the
25 second. Any further questions, discussion or

1 comments before we go to a vote? Hearing and seeing
2 none, then Mr. Timko, roll call.

3 (At this point in the proceedings the
4 roll call is taken with Ms. Bannan, Ms. Fields,
5 Chairman Orr and Mr. Crane voting in favor of the
6 motion.)

7 CHAIRMAN ORR: Okay, we are adopted.
8 That brings us to the next item on our rate hearing
9 agenda, whether or not there is any member or staff
10 comment on that, any further staff or member comment?
11 Hearing and seeing none, I'll take a motion to
12 adjourn then the rate meeting.

13 MR. CRANE: I make a motion to
14 adjourn.

15 CHAIRMAN ORR: Second?

16 MS. FIELDS: Second.

17 CHAIRMAN ORR: All in favor?

18 (All members indicate "aye" in favor
19 of the motion to adjourn the rate hearing.)

20 CHAIRMAN ORR: So that motion is then
21 carried and we are adjourned, and we shall now move
22 to the regular Sewerage Authority Meeting of November
23 23, 2021.

24 (This portion of the public hearing is
25 adjourned.)

AFFIDAVIT OF PUBLICATION

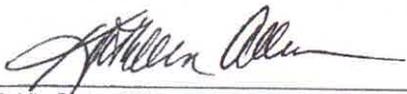
Publisher's Fee \$20.64 Affidavit \$35.00

STATE OF WISCONSIN
Brown County

Personally appeared Denise Roberts at County of Brown, State of Wisconsin.

Of the **Courier News**, newspaper printed in Freehold, New Jersey and published in Somerville, In the state of New Jersey and City of Somerville, and of general circulation in Somerset County, who being duly sworn, depose and saith that the advertisement of which the annexed is a true copy, has been published in the said newspaper 1 times, once in each issue dated as follows:

10/20/2021 A.D 2021



Notary Public State of Wisconsin County of Brown

1-7-25

My commission expires

KATHLEEN ALLEN
Notary Public
State of Wisconsin

November 23, 2021
B.T.S.A Exhibit 7
J.P. Pulver

Ad Number: 0004963201

Run Dates: 10/20/2021

PUBLIC NOTICE
BERNARDS TOWNSHIP SEWERAGE AUTHORITY
NOTICE OF RATE HEARING

Date: Tuesday, November 23, 2021

Time: 6:30 PM

Location: One Collyer Lane, Basking Ridge, NJ 07920
Warren Craft Meeting Room

PLEASE TAKE NOTICE, that the Bernards Township Sewerage Authority will meet for the purpose of conducting the Rate Hearing to set the rates for sewer usage and connection fee for the year 2022.

The regularly scheduled meeting shall immediately follow. The above constitutes the agenda for the meeting to the extent known at this time. Formal action will be taken at this time.

DATED: October 15, 2021

ATTEST: Thomas Timko, PE
Authority Director
(\$20.64)

0004963201-01

November 23, 2021
B TWA Exhibit 2
J.P. Keenan

Affidavit from

Bernardsville News

STATE OF NEW JERSEY }
COUNTY OF MORRIS) ss.:

Priscilla Pulliam, being duly sworn according to law on her oath, deposes and says that she is a clerk employed in the office of the BERNARDSVILLE NEWS, a public newspaper which is published in the County of Morris, and that the notice of which the annexed is a copy, was published in said newspaper on:

10/21/2021

Priscilla Pulliam

Priscilla Pulliam

Sworn to and subscribed before me this 22 day of October 2021

Diane Howard

Diane Howard
Notary Public
New Jersey
My Commission Expires 4/23/2024

November 23, 2021
BTSW Exhibit
3
John P. Blum

Bernards Township Sewerage Authority

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DATED: October 15, 2021

ATTEST: Thomas Timko, PE
Authority Director
P.F.\$28.05

10/21/T1

**MEMORANDUM
TOWNSHIP OF BERNARDS SEWERAGE AUTHORITY**

*November 23, 2021
BTSA Exhibit
A-4
K.P.
Belend*

TO: Chairman and Members of the Bernards Township Sewerage Authority
BTSA Attorney
Plant Superintendent
FROM: Thomas Timko, Authority Director
DATE: November 23, 2021
RE: 2022 User Fees/2022 Sewer Connection Fee/Rate Schedule/Rules and Regulations

I. 2022 User Fee:

As per the discussion of the Authority's reserve funds policy at the September budget introduction meeting, I am recommending the Authority establish the **2022 User Fee** at the rate of **\$500.00** per equivalent dwelling unit, which is a **\$0** increase to the user fee from the previous year. In addition the **2022 User Fee** will be **\$200.00** per equivalent dwelling unit for all "seniors in need" households that are established by the Tax Collector.

In the User Fee calculation, the total of all anticipated revenue sources are subtracted from the anticipated operating expense requirements. The difference equals the amount that must be raised by User Fees and Rate Stabilization. The amount raised by User Fees is divided by the number of equivalent dwelling units, or 10,777 EDUs in 2022. The result equals the calculated User Fee per equivalent dwelling unit.

II. 2022 Connection Fee:

The Authority's CFO and I are recommending the Authority establish the **2022 Connection Fee** at **\$7,546** per equivalent dwelling unit based on the calculation as outlined below, which is a 1.96% increase over the 2021 connection fee of \$7,401.00.

NJSA 40:14A-8 establishes the method for Connection Fee determination.

- All Authority payments toward the cost of the system shall be added together including debt service (including but not limited to sinking funds, reserve amount of any loans and interest thereon paid by the Authority to defray the capital cost of building the system). These expenditures shall be added to all capital expenditures made by the Authority not funded by a bond ordinance or debt for the development of the system.
- From this amount shall be subtracted any gifts, contributions or subsidies to the Authority received from, and not reimbursed or reimbursable to any Federal, State, County or municipal government agency or any private person. Added to this shall be any service agreement or contract paid to the Authority by a public entity.
- The remainder shall be divided by the total number of service units served by the Authority at the end of the immediately preceding fiscal year of the Authority to produce the connection contribution to the cost of the system during the upcoming fiscal year.
- The connection fee shall be computed at the end of each fiscal year.

Thank you.