

ORIGINAL

Township of Bernards Municipal Building
1 Collyer Lane
Basking Ridge, New Jersey
November 28, 2017

SCHULMAN, WIEGMANN & ASSOCIATES
CERTIFIED COURT REPORTERS
216 STELTON ROAD
SUITE C-1
PISCATAWAY, NEW JERSEY 08854
(732) - 752 - 7800

1 B E F O R E:

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3 SEWERAGE AUTHORITY

4 JOHN MALAY, Chairperson

5 JOHN CARPENTER, Vice-Chairperson

6 CAROL BIANCHI

7 CAROLYN GAZIANO

8 MARY PAVLINI

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11 JOHN P. BELARDO, ESQ., Authority Attorney

12 THOMAS TIMKO, Authority Director

13 ROBERT RAYMOND, Superintendent

14 NANCY WOHLLEB, PE, Consultant

15 LORRAINE DE GRANDE, Administrative Coordinator

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E X H I B I T S

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3	NUMBER	DESCRIPTION	PAGE
4	Exhibit-1	Courier News Affidavit	
5		of Publication	6
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10	Exhibit-3	Affidavit of the	
11		Bernardsville News and	
12		Rate Hearing Public Notice	6
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14	Exhibit-4	Memorandum dated 11/28/2017	7

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1 MR. MALAY: Call the meeting to
2 order for November 28, 2017. Pledge of
3 Allegiance.

4 (Whereupon, The Pledge of
5 Allegiance is recited.)

6 MR. MALAY: This is the 2018 Rate
7 Hearing. This is not the regular meeting. We
8 haven't had that yet. So, Tom, roll call
9 please.

10 MR. TIMKO: Mr. Malay?

11 MR. MALAY: Here.

12 MR. TIMKO: Ms. Pavlini?

13 MS. PAVLINI: Here.

14 MR. TIMKO: Ms. Gaziano?

15 MS. GAZIANO: Here.

16 MR. TIMKO: Mr. Carpenter?

17 MR. CARPENTER: Here.

18 MR. TIMKO: Ms. Bianchi?

19 MS. BIANCHI: Here.

20 MR. MALAY: Adequate Notice of
21 this meeting was posted on the bulletin board of
22 the Municipal Building, 1 Collyer Lane, Basking
23 Ridge, New Jersey, was emailed to the
24 Bernardsville News and The Courier News and was
25 filed with the Township Clerk all on January 3,

1 2017.

2 Any motion to go into closed
3 session will be deemed to include a motion that
4 the matters discussed at such closed session
5 will be disclosed to the public when such
6 matters are finally determined and there is no
7 further reason to prohibit the public disclosure
8 of information relating to such matters.

9 As far as the Open Public Meeting,
10 comments are welcomed during this public comment
11 period of this meeting on any agenda item or
12 other matter over which the Authority has
13 jurisdiction.

14 However, if a resolution is listed
15 for its own public hearing on the agenda, please
16 hold your comments for that particular public
17 hearing.

18 To address this body, the speaker
19 must state his or her name and address for the
20 record. Each speaker is limited to five
21 minutes. Please promptly yield the floor when
22 time is called. Your cooperation in adherence
23 to these rules of order will ensure an orderly
24 and respectful meeting.

25 Tom, we have a presentation of the

1 proposed 2018 User Fee and Sewer Connection Fee.

2 MR. BELARDO: And I will
3 administer to Mr. Timko the oath.

4 T H O M A S T I M K O, is duly sworn and
5 testifies under oath as follows:

6 EXAMINATION BY MR. BELARDO:

7 Q If you would recite, Mr. Timko,
8 that this meeting has been advertised?

9 A This meeting has been duly advertised.

10 MR. BELARDO: I am going to mark
11 proofs of publication as exhibits. The first,
12 Exhibit-1, is a Courier News Affidavit of
13 Publication indicating, dated October 18, 2017.

14 Exhibit-2 is the actual Notice of
15 this meeting published in The Courier News on
16 October 16, 2017 that proceeds this November 28,
17 2017 meeting date by at least 20 days.

18 Exhibit-3 represents two matters.
19 The first is an Affidavit from the Bernardsville
20 News dated October 19, 2017. That's the
21 publication of the Official Notice. Also on
22 Exhibit-3 is a public notice of the rate hearing
23 that appeared in the Bernardsville News on
24 October 16, 2017. Again, 20 days in advance of
25 the hearing.

1 (Whereupon, Proofs of Publication
2 are received and marked as Sewerage
3 Authority Exhibits 1, 2 and 3 for
4 Identification.)

5 BY MR. BELARDO:

6 Q Mr. Timko, do you have a written
7 text of remarks to offer as an exhibit?

8 MR. TIMKO: Yes.

9 (Whereupon, Memorandum dated
10 11/28/2017 is received and marked as
11 Sewerage Authority Exhibit-4 for
12 Identification.)

13 MR. BELARDO: I have before me and
14 duly marked as Exhibit-4 a one-page memorandum
15 to the Chairman and Members of the Bernards
16 Township Sewerage Authority, the BTSA Attorney
17 and the Plant Superintendent from Thomas Timko,
18 Authority Director, dated November 28, 2017,
19 Reference 2018 User Fees, 2018 Sewer Connection
20 Fee, Rate Schedule, Rules and Regulations.

21 Q Mr. Timko, if you would testify to
22 first the User Fee.

23 A As per the discussion of the Authority's
24 reserve funds policy at the September budget
25 introduction meeting, I am recommending the

1 Authority establish the 2018 User Fee at the
2 rate of \$480 per equivalent dwelling unit, which
3 is \$10 increase to the user fee from the
4 previous year.

5 In addition, the 2018 User Fee will be
6 \$200 per equivalent dwelling unit for all
7 seniors-in-need households that are established
8 by the Tax Collector. Market surveys have
9 indicated in the past that \$480 per year, on
10 average, is comparable to Authorities of like
11 size and capabilities.

12 BY MR. BELARDO:

13 Q Do you mean 470?

14 A That should read -- the memo says 470, it
15 should read 480.

16 Q Okay. Duly noted.

17 A In the User Fee calculation, the total of
18 all anticipated revenue sources are subtracted
19 from the anticipated operating expense
20 requirements. The difference equals the amount
21 that must be raised by User Fees and Rate
22 Stabilization. The amount raised by User Fees
23 is divided by the number of equivalent dwelling
24 units, or 10,558 EDUs in 2018. The result
25 equals the calculated User Fee per equivalent

1 dwelling unit.

2 MR. BELARDO: Is there any
3 cross-examination from Authority members?

4 If not, Mr. Timko, could you
5 proceed to read 2018 Connection Fee.

6 MR. TIMKO: The Authority's CFO
7 and I are recommending the Authority establish
8 the 2018 Connection Fee at \$6,877 per equivalent
9 dwelling unit base on the calculation as
10 outlined below, which is a 1.67 percent increase
11 over the 2017 connection fee of \$6,764.

12 N.J.S.A. 40:14A-8 establishes the
13 method for Connection Fee determination.

14 All Authority payments towards the
15 cost of the system shall be added together
16 including debt service, including but not
17 limited to sinking funds, reserve amount of any
18 loans and interest thereon paid by the Authority
19 to defray the capital cost of building the
20 system. These expenditures shall be added to
21 all capital expenditures made by the Authority
22 not funded by a bond ordinance or debt or the
23 development of the system.

24 From this amount shall be
25 subtracted any gifts, contributions or subsidies

1 to the authority received from, and not
2 reimbursed or reimbursable to any Federal,
3 State, County or municipal government agency or
4 any private person. Added to this shall be any
5 service agreement or contract paid to the
6 Authority by a public entity.

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

13 The connection fee shall be
14 computed at the end of each fiscal year.

15 MR. BELARDO: Thank you. Are
16 there any cross-examination from the Authority
17 Members concerning Mr. Timko's testimony
18 concerning the 2018 Connection Fee?

19 If not, I would ask whether, in
20 general, there are any questions and comments by
21 Authority Members concerning either the 2018
22 User Fee or 2018 Connection Fee?

23 Hearing none, Mr. Chairman, would
24 you ask for any public comments or questions
25 regarding either the 2018 User Fee or 2018

1 Connection Fee.

2 MR. MALAY: Call for public
3 comments or questions? Seeing no members of the
4 public here, return to you, Mr. Belardo.

5 MR. BELARDO: Yes. Mr. Chairman,
6 you may now close the public hearing and
7 entertain a motion to adopt the 2018 Connection
8 Fee and 2018 User Fee.

9 MR. MALAY: All right, I am going
10 to declare this public hearing closed and if I
11 could get a motion from a member to adopt the
12 Connection Fee and the User Fee.

13 MR. CARPENTER: I move that we
14 adopt the 2018 Connection Fee and 2018 User Fee.

15 MR. MALAY: Thank you, Mr.
16 Carpenter. May I have a second?

17 MS. PAVLINI: Second.

18 MR. MALAY: Any discussion?

19 MS. DE GRANDE: Ms. Pavlini, that
20 was Ms. Pavlini?

21 MR. MALAY: Yes.

22 Hearing no discussion, Tom, roll
23 call, please.

24 MR. TIMKO: Mr. Malay?

25 MR. MALAY: Yes.

1 MR. TIMKO: Ms. Pavlini?

2 MS. PAVLINI: Yes.

3 MR. TIMKO: Ms. Gaziano?

4 MS. GAZIANO: No.

5 MR. TIMKO: Mr. Carpenter?

6 MR. CARPENTER: Yes.

7 MR. TIMKO: Ms. Bianchi?

8 MS. BIANCHI: No.

9 MR. MALAY: Carries.

10 Any member or staff comment with
11 regards to this rate hearing?

12 Any further public comment?

13 May I have a motion to adjourn?

14 MR. CARPENTER: So moved.

15 MS. PAVLINI: Second.

16 MR. MALAY: All those in favor?

17 AUTHORITY MEMBERS: Aye.

18 MR. MALAY: The Rate Hearing is
19 closed.

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21 (Whereupon, the proceeding is
22 concluded at 6:40 p.m.)

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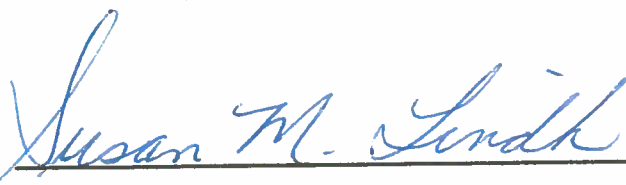
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C E R T I F I C A T E

I, SUSAN M. LINDH, a Certified Court Reporter of the State of New Jersey, authorized to administer oaths pursuant to R.S.41:2-2, do hereby certify that prior to the commencement of the examination, the witness was sworn by me to testify to the truth, the whole truth and nothing but the truth.

I DO FURTHER CERTIFY that the foregoing is a true and accurate transcript of the testimony that was taken stenographically by and before me at the time, place and on the date hereinbefore set forth.

I DO FURTHER CERTIFY that I am neither attorney, nor counsel for, nor related to or employed by, any of the parties to the action in which this deposition was taken, and further that I am not a relative or employee of any attorney or counsel in this case, nor am I financially interested in this case.



SUSAN M. LINDH, C.C.R.

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