Ordinance #2003-987

ORDINANCE AUTHORIZING 2003 AMENDMENT TO SOMERSET RARITAN VALLEY SEWERAGE AUTHORITY SERVICE AGREEMENTS

WHEREAS, the Somerset Raritan Valley Sewerage Authority (the "Authority"), a public body politic and corporate of the State of New Jersey entered into a certain Service Agreement, dated as of January , 1958, with the Township of Bridgewater, in the County of Somerset ("Bridgewater"), the Borough of Raritan, in the County of Somerset ("Raritan") and the Borough of Somerville, in the County of Somerset ("Somerville"); and

WHEREAS, the Authority has since such time amended said agreement and, separately, entered into subsequent service agreements that, in turn and over time, have been variously amended and modified with the township of Branchburg, in the County of Somerset ("Branchburg"), the Borough of Somerville, in the County of Somerset ("Somerville"), the Township of Hillsborough Municipal Utilities Authority (the "Hillsborough MUA") and (by means of an assignment of prior agreements between the Authority and the Township of Warren) the Warren Township Sewerage Authority (the "Warren SA") (each of whom and including Bridgewater, Raritan and Somerville are collectively referred to herein as the "Participants") (all of which agreements are collectively referred to herein as the "Service Agreements"); and

WHEREAS, the Service Agreements contain a provision obligating each of the Participants to pay an annual charge (the "Annual Charge") to the Authority based on, among other things, the annual volume of sewage flow received by the Authority from such Participant; and

WHEREAS, the Service Agreements each contain a provision stating that, for purposes of calculating the Annual Charge, the annual volume of sewage flow from the applicable Participant shall not be less than such Participant's assured minimum annual volume of sewage flow (the "Assured Minimum Annual Flow" and the Annual Charge calculated on such basis being the "Minimum Annual Service Charge"); and

WHEREAS, the Authority has determined that the fiscal protections afforded to it by the Assured Minimum Annual Flow and the Minimum Annual Service Charge are no longer warranted; and

WHEREAS, the elimination of the Assured Minimum Annual Flow and the Minimum Annual Service Charge will provide an added financial incentive to encourage the removal and continued elimination of excessive infiltration and inflow ("I/I") in the local sewerage systems; and

WHEREAS, encouraging the removal of I/I from the sewage flows discharged, by the Participants to the Authority is consistent with the programs, service rules and mandate of the Authority; and

WHEREAS, the 2003 Amendment to Service Agreements will, if executed, amend the Service Agreements to remove all references to the Assured Minimum Annual Flow and the Minimum Annual Service Charge so that the Annual Charges to be paid by Participants to the Authority are calculated at all times based on actual annual volumes of sewage flow and without reference to the Assured Minimum Annual Flows and the Minimum annual Service Charge; and

WHEREAS, the governing body of the Borough of Manville, in the County of Somerset, has decided and hereby determines that it is advisable and in the best interests of its citizens to execute the 2003 Amendment to Service Agreements.

NOW, THEREFORE, BE IT ORDAINED by the governing body of the Borough of Manville, in the County of Somerset and State of New Jersey as follows:

1. The elimination of the Assured Minimum Annual Flow and the Minimum Annual Service Charge from the Service Agreement is hereby deemed to be in the best interests of the Borough.

2. The Mayor and Clerk are hereby authorized and directed to execute the 2003 Amendment to Service Agreements in the form attached hereto and, by reference, incorporated herein.

3. This Ordinance shall take effect as provided by law.

Borough of Manville

Angelo Corradino, Mayor

ATTEST:

Philip E. Petrone, Borough Clerk

STATEMENT OF PURPOSE

The purpose of this Ordinance is to authorize a 2003 Amendment to the Somerset Raritan Valley Sewerage Authority Service Agreement.

ORDINANCE #2003-987

FIRST READING:

Introduced	Seconded	Council	Yes	No	Abstain	Absent
		ALLAN	√			
		ASHER	√			
		PETROCK	√			
	√	**POLAK**	√			
√		**WEISS**	√			
		WIERZBA	√			
		MAYOR CORRADINO				

PASSED this _____**8th**_____ day of _____**September**_____, 2003.

Attest:

Philip E. Petrone, Borough Clerk

SECOND READING:

Introduced	Seconded	Council	Yes	No	Abstain	Absent
		ALLAN	√			
	√	**ASHER**	√			
√		**PETROCK**	√			
		POLAK	√			
		WEISS	√			
		WIERZBA	√			
		MAYOR CORRADINO				

PASSED this _____**20th**_____ day of _____**September**_____, 2003.

Attest:

Philip E. Petrone, Clerk