

Mayor Nolan offered the following Resolution and moved on its adoption:

R-11-92
AUTHORIZING THE DISSOLUTION OF THE
ATLANTIC HIGHLANDS – HIGHLANDS REGIONAL SEWERAGE
AUTHORITY

WHEREAS, on August 1, 1969, the Borough of Highlands and the Borough of Atlantic Highlands entered into agreements with the Atlantic Highlands – Highlands Regional Sewerage Authority (“AH/HRSA”), which was created by parallel Ordinances of the Borough of Highlands and the Borough of Atlantic Highlands in 1968; and

WHEREAS, an agreement dated August 1, 1969 between the Borough of Highlands, the Borough of Atlantic Highlands and the AH/HRSA, there was an anticipated construction of a sewerage treatment plant, which was not completed, causing subsequent agreements between AH/HRSA and the Township of Middletown Sewerage Authority (“TOMSA”), for treatment of the sewerage, coming from AH/HRSA by TOMSA at the TOMSA sewage treatment plant; and

WHEREAS, the Borough of Highlands has determined that the dissolution of the Atlantic Highlands – Highlands Regional Sewerage Authority would be cost effective, based upon the following:

1. The AH/HRSA operates separate pumping stations for Atlantic Highlands and Highlands, the operation of which could be conducted more efficiently by the existing water and sewer departments of each Borough.
2. Borough operation of the pumping stations would relieve the rate payers of unnecessary operating costs due to redundant salaries and fees paid to the AH/HRSA, its employees and professionals.
3. AH/HRSA has quarreled with TOMSA over charges, leading to expensive arbitration and litigation, now pending.
4. TOMSA has counterclaimed in said litigation for very large sums.
5. The AH/HRSA exists only to benefit the users of the system and the AH/HRSA is not beneficial to the rate payers of Highlands and Atlantic Highlands.

WHEREAS N.J.S.A. 40SA:5A-20 stipulates that any authority established by more than one municipality may only be dissolved by the adoption of parallel ordinances, and that the Local Finance Board shall approve the dissolution if it finds the ordinances make adequate provisions for the payment of all creditors and obligations of the authority.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Highlands that the dissolution of the AH/HRSA would benefit the residents and rate

payers of both the Boroughs of Highlands and Atlantic Highlands and it would be in the best interest of both Boroughs to dissolve the Regional Sewer Authority.

IT IS FURTHER RESOLVED that the Borough Administrator, Chief Financial Officer and any other necessary party, implement the process to effectuate an orderly dissolution, of the Atlantic Highlands – Highlands Regional Sewerage Authority, with the Borough of Atlantic Highlands.

Seconded by Mr. Francy and adopted on the following roll call vote:

ROLL CALL:

AYES: Mr. Connelly, Mr. O’Neil, Mr. Francy, Ms. Kane, Mayor Nolan

NAYES: None

ABSENT: None

ABSTAIN: None

DATE: April 6, 2011

Carolyn Cummins, Borough Clerk

I hereby certify this to be a true copy of Resolution R-11-92 adopted by the Governing Body of the Borough of Highlands on April 6, 2011.

Borough Clerk/Deputy Clerk