Mayor Nolan offered the following ordinance and moved on its final reading, adoption and authorized its publication according to law:

0-14-12

BOROUGH OF HIGHLANDS COUNTY OF MONMOUTH

AN ORDINANCE AMENDING CHAPTER IX, WATER AND SEWER, TO INCORPORATE ADDITIONAL RULES AND REGULATIONS OF THE NOW-DISSOLVED AHHRSA AS A RESULT OF THE BOROUGH'S ASSUMPTION OF THE SEWERAGE AUTHORITY

WHEREAS, the Borough of Highlands governs water and sewers by and through Chapter IX, Water and Sewer, of the Revised General Ordinances; and

WHEREAS, the Borough of Highlands and the Borough of Atlantic Highlands were previously members of the Atlantic Highlands – Highlands Regional Sewerage Authority ("AHHRSA"); and

WHEREAS, the AHHRSA has since been dissolved by concurrent action by the Borough of Highlands and the Borough of Atlantic Highlands; and

WHEREAS, the Borough of Highlands will now administer, govern, and regulate water and sewerage operations in the Borough of Highlands; and

WHEREAS, the Borough of Highlands wishes to adopt certain rules and regulations of the now-dissolved AHHRSA as they apply to the Borough's sewerage operations; and

WHEREAS, the Governing Body has determined that it is in the best interests of the residents of the Borough of Highlands to adopt the forthcoming rules and regulations of the now-dissolved AHHRSA.

NOW, THEREFORE, BE IT ORDAINED by the Governing Body of the Borough of Highlands as follows:

NOTE: All additions are shown in *bold italics with underlines*. The deletions are shown as *strikeovers in bold italics*. Sections that will remain unchanged are shown in normal type.

SECTION ONE. Section 9-8.9, "Connection Fee to Sewer System" of the Revised General Ordinances of the Borough of Highlands shall be repealed in its entirety.

SECTION TWO. Section 9-8.13, "Sewer Connection Fees" shall be amended as follows:

9-8.13 Sewer Connection *Requirements and* Fees; *Definitions*.

a. Residential Unit. For each new residential unit that uses the sewer system of the Borough of Highlands there is established the following connection fees for the right to use the existing sewer facilities:

Sewer connection fee: \$1,500.00

For purposes of this section, a "new residential unit" means any new residential area, including but not limited to an apartment, cooperative apartment, condominium, mobile home, rented room with separate bath facilities, and single-family house, which unit is created either by new construction, or by conversion from an existing use. Included within the definition of "new residential unit" is a condominium or cooperative apartment created by conversion from an existing rental building, and an apartment created within an existing single-family house.

<u>b.</u> Nonresidential Unit. For each new nonresidential unit that uses the sewer system of the Borough of Highlands, there is established the following connection fees for the right to use the existing sewer facilities:

<u>Sewer Connection Fee: An amount not less than one thousand five hundred (\$1,500.00)</u> dollars equal to the projected daily sewerage flow divided by the average daily sewerage flow per residential unit, rounded up to the nearest whole number, times one thousand five hundred (\$1,500.00) dollars.</u>

— Projected sewer flows will be calculated by the applicant, and will be subject to review and approval by the Borough engineer.

— For purposes of this subsection, a new nonresidential unit will be any new nonresidential area, including any new office or business with separate toilet facilities, created by new construction or by conversion from an existing use.

In the event that any subsection of the within section is declared to be illegal, unconstitutional or otherwise invalid, then the balance of the section shall not be deemed void, but shall remain in full force and effect.

a. <u>Definitions</u>

"Connection Fee" is an amount charged for new or additional units connecting to any collection system served by the Borough's system. State statute provides for this fee to compensate existing users for the parts of the system they have already paid for and that a new user will benefit from. Statute defines this fee as "fair payment toward the cost of the system" and requires that it be a proportionate share of the Borough's capital costs already paid by existing users. It does not include any materials or work related to the physical connection to any system. State statute requires that it be updated each year.

"Unit" or "sewage unit" means a residential property as defined in N.J.S.A. 40:14A-8.1(a). For residential uses, the term unit includes a single-family dwelling or apartment. For all non-residential users, "Unit", "sewage unit" or "EDU" shall be defined as 65,000 gallons per year of water consumption. Flow calculations for non-residential uses shall be rounded up to the nearest whole number of units, with a minimum of one unit. Additions to an existing home for the expanded residential use of a single family shall not create an additional "unit" unless there is Borough approval that increases the number of residential units permitted on the property.

- b. <u>Connection Fee(s) and Credits</u>
 - 1. <u>Fees: Prior to the start of construction, a connection fee of \$5,142.00 per</u> <u>sewage unit shall be paid to the Borough for every new connection or</u> <u>expansion of an existing connection or use, less a credit for the number of</u> <u>previously legally connected sewage units that are removed, except as otherwise</u> <u>provided for by NJSA 40:14A-8.3.</u>
 - 2. Credits for Prior Connections
 - a. <u>In calculations of credit for previous units on the property, full credit shall</u> be given for units disconnected and removed from Borough sewer bills within two years of the application to the Borough; if over two years, a decreasing credit of 10% per year from the Borough billing removal date shall be received; if over ten years, no credit shall be received.
 - b. For projects where credit is claimed for three or more previous units, the maximum credit shall be the lesser of: the number of previous dwelling units, or for both residential and non-residential, the whole number of sewage units, without rounding, based upon the average annual water consumption of the previous units for the last five years divided by 65,000 gallons.
 - c. <u>There shall be no accrual or transfer of connection rights or connection fee</u> <u>credits for units removed in excess of new units.</u>
- c. <u>Connection Requirements</u>

1. The size of the connection shall be limited to the minimum size needed to carry the estimated maximum daily flow for the number of units approved, a larger connection may be installed subject to Borough approval.

2. In the event that additional equipment, infrastructure or expansion of any part of the system is required to service a new project, additional fees shall be charged. These fees shall equal all costs related to the additional equipment, infrastructure or expansion of the system, including design, legal fees and other costs incurred. During the five years following completion, new connections using these items shall pay an additional fee proportionate to their use of these items. Previous payers of these items shall be reimbursed this fee on a proportional basis, less all related Borough expenses.

<u>e-d</u>. Sewer Connection Inspection Fee. Following the completion of the connection from any property to the Borough sewer system, a fee of fifty (\$50.00) dollars shall be due and

payable to the Borough for the inspection of same by the Borough's Licensed Plumbing Inspector. The Inspector shall be given reasonable notice of the completion of the connection in order that he may schedule a connection inspection.

(Ord. No. O-88-16; Ord. No. O-94-30 §§ 1–5; Ord. No. O-13-1)

SECTION THREE. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance, which shall otherwise remain in full force and effect.

SECTION FOUR. REPEALER. All ordinances or parts of ordinances inconsistent herewith are hereby repealed to the extent of such inconsistency.

SECTION FIVE. EFFECTIVE DATE. This Ordinance shall take effect after final passage as provided by law.

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

ROLL CALL:

AYES:	Ms. Ryan, Mr. Redmond, Mr. Francy, Ms. Kane, Mayor Nolan
NAYS:	None
ABSTAIN:	None
ABSENT:	None
DATE.	A DD11 17 2014

DATE: APRIL16, 2014

Carolyn Cummins, Borough Clerk