

STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES

**IN THE MATTER OF THE APPLICATION  
FOR APPROVAL PURSUANT TO N.J.S.A.  
40:14B-20(6) OF A RESOLUTION BY THE  
TOWNSHIP OF PARSIPPANY-TROY HILLS  
REQUESTING THE SOUTHEAST MORRIS  
COUNTY MUNICIPAL UTILITIES  
AUTHORITY TO SELL WATER WITHIN  
THE TOWNSHIP AT RETAIL**

**DOCKET NO.**

**VERIFIED PETITION**

TO THE HONORABLE BOARD OF PUBLIC UTILITIES OF  
THE STATE OF NEW JERSEY:

Petitioner, the Township of Parsippany-Troy Hills (“Township” or “Petitioner”), a municipality in the County of Morris, State of New Jersey, says that:

1. Petitioner is a municipality within the County of Morris, with municipal offices located at 1001 Parsippany Boulevard, Parsippany, NJ 07054.

2. The Southeast Morris County Municipal Utilities Authority (“Authority”) was established in 1976 pursuant to the Municipal and County Utilities Authority Law, N.J.S.A. 40:14B-1 et seq. (“Act”) by the Town of Morristown, the Townships of Morris and Hanover and the Borough of Morris Plains, all in Morris County (collectively, the “Creating Municipalities”), to acquire and operate the water system then owned by the Town of Morristown.

3. The Authority acquired the water system of the Town of Morristown (“Town”) in 1977, subsequent to the Board’s approval by Order dated November 3, 1976 in Docket No. 976-930 granting the Town permission to discontinue service provided that the Authority assumed

operation of the water system and continued uninterrupted service to customers previously served by the Town.

4. The Township understands that the Authority presently provides water service to approximately 18,000 billed customers within its District, consisting of the territorial limits of the Creating Municipalities; and that it also provides or has contracted to provide water service to approximately 580 billed customers outside of its District which customers are located in the Township, the Boroughs of Florham Park and Wharton, and the Townships of Mendham, Chatham, Harding, and Randolph.<sup>1</sup> All customers of the Authority outside the District are served at bulk sale (wholesale) rates pursuant to bulk sale agreements with the municipal entities; at retail rates pursuant to resolutions approved by the Board pursuant to N.J.S.A. 40:14B- 20 (6) and/or pursuant to the 1976 Board Order previously referenced which required continuation of service to existing customers of the Town of Morristown. The Authority has provided water to properties within the Township previously served by the Town and to properties in discrete areas within the Township which were developed subsequent to 1977 and which are in closer proximity to the Authority's water system infrastructure than to the Township's water system infrastructure, including the property at 500 Hanover Avenue, Block 7, Lot 2 on the Tax Map of the Township, where the County of Morris operates a Police and Fire Academy and provides certain dispatch services (the "Police and Fire Academy Property").

5. The Authority is not subject to the jurisdiction of this Board. However, the Act restricts municipal utilities authorities such as the Authority from selling water at retail in any municipality outside their district unless: "the governing body of such municipality shall have

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<sup>1</sup> The Authority also sells and purchases water from the Morris County Municipal Utilities Authority and has contracted for the supply and exchange of water in emergency situations with the Borough of Madison, both at negotiated rates.

adopted a resolution requesting the municipal authority to sell water at retail in such municipality, and the Board of Public Utilities shall have approved such resolution as necessary and proper for the public convenience.” N.J.S.A. 40:14B-20(6)

6. The Township is attempting to facilitate the development of and redevelopment of an area consisting of The District at 1515, located at 1515 Route 10 East (Block 200, Lots 1.02 and 1.03), a project known as the Stanbery Development, which includes approximately 441 residential apartment units and approximately 100,000 square feet of commercial space. The Township also wishes to facilitate the further development and redevelopment of three nearby commercial properties, including a property upon which approximately ninety units of multi-family housing is proposed to be built. The redevelopment of these properties will result in increased water usage. The Township has concluded that these properties, the Police and Fire Academy property and 59 Koch Avenue, where the wastewater treatment plant for the Greystone Park Hospital is located (collectively, the “Retail Service Properties”), would most appropriately be served as direct retail customers of the Authority. The Retail Service Properties are identified in Revised Schedule A of an Amended Retail Water Service Agreement which is attached as Exhibit A to this Petition (the “Amended Retail Water Service Agreement”).

7. The Authority currently provides the water supply to the existing structures on the Retail Service Properties and other properties within a limited area of the Township pursuant to an Agreement for Supply of Water dated January 21, 1977 (“Bulk Sale Agreement”). The Bulk Sale Agreement is a wholesale water supply agreement whereby the charges for water supplied to such structures by the Authority are billed to and paid by the Township. The Township has no water system infrastructure near any of the Retail Service Properties and will have none as these properties are further developed and redeveloped. The Bulk Sale Agreement will continue in full

force and effect and, except for the Retail Service Properties, other properties in the Township will continue to be served and billed pursuant thereto.

8. The Township has requested that the Authority agree to provide retail water service to the Retail Service Properties and has met with representatives of the Authority in furtherance of this request.

9. The Authority and the Township negotiated an agreement setting forth the terms upon which the Authority is willing to provide retail service within the Township (“Retail Water Service Agreement”). Said Retail Water Service Agreement provided, among other things, that the Authority would charge its retail water customers in Parsippany its standard retail rates, which are the same retail rates as it charges customers within the Creating Municipalities which constitute its District and the other municipalities in which it provides retail water service.

10. On June 25, 2019 the Township passed Resolution 2019-139 (“Township Resolution”). Said Resolution authorized the Authority to provide retail water service within the Township to the Retail Service Properties. The Township Resolution also authorized the Township to enter into the Retail Water Service Agreement with the Authority and to seek Board approval of the Authority’s provision of retail water service within the Township.

11. On June 27, 2019 the Board of Members of the Authority passed Resolution 59-19 (the “Authority Resolution”), authorizing the Authority to enter into the Retail Water Service Agreement with the Township and, upon Board approval of the Township Resolution, to take steps to provide retail water service within the Township to the Retail Service Properties in accordance with the Retail Water Service Agreement. However, the Authority Resolution as well as the Retail Water Service Agreement provided that the Authority’s approval of the Retail

Water Service agreement was conditioned upon its approval by each of the Creating Municipalities and the Morris County Municipal Utilities Authority.

12. The Authority determined that it will require new service connections and main extensions outside its District to provide water service to the further development and redevelopment of the Retail Service Properties which the Township has requested it service on a retail basis. The Township is advised that a Service Contract between the Authority and its Creating Municipalities generally prohibits new service connections and main extensions (with certain exceptions not here relevant) outside the District without the consent of each of the Creating Municipalities authorizing the Authority to provide such service.

13. New main extensions outside the Authority's District are also subject to approval of the Morris County Municipal Utilities Authority ("MCMUA") under the terms of MCMUA's consent to the creation of the Authority pursuant to N.J.S.A. 40:14B-9.

14. The Authority requested that the Creating Municipalities and the MCMUA review and consent to the services and main extensions provided for in the Retail Water Service Agreement. These reviews resulted in amendment of the Retail Water Service Agreement as set forth in the previously referred to Amended Retail Water Service Agreement annexed hereto as Exhibit A. The Amended Retail Water Service Agreement principally made certain revisions to the properties to be included in the Schedule of Retail Service Properties and clarified that any future service to other properties in the Township would require the further consents of the Creating Municipalities and such other consents as may be required by law or contract.

15. The Amended Retail Water Service Agreement was approved by the Authority by way of Resolution 111-19 on November 21, 2019 and by the Township by way of Resolution

2019-224 on December 3, 2019. The Authority and Township Resolutions are attached hereto as Exhibits B and C.

16. Each of the Creating Municipalities has passed a resolution consenting to the provision of retail service by the Authority within the Township in accordance with the Amended Retail Water Service Agreement as follows:

|                                     |                   |
|-------------------------------------|-------------------|
| Township of Hanover Resolution      | December 12, 2019 |
| Township of Morris Resolution       | December 18, 2019 |
| Borough of Morris Plains Resolution | December 20, 2019 |
| Town of Morristown Resolution       | January 7, 2020   |

Copies of these resolutions are attached hereto as Exhibit D.

17. Similarly, on January 7, 2020, the MCMUA passed a resolution authorizing the Authority to extend its mains outside its District in order to provide retail water service in the Township to properties listed in the Amended Retail Water Service Agreement. A copy of this resolution as provided as Exhibit E hereto.

18. By way of this Petition, the Township seeks Board approval pursuant to N.J.S.A. 40:14B-20(6) of Township Resolution 2019-224 (Exhibit C) dated December 3, 2019 requesting the Authority to sell water at retail within the Township to certain properties designated in Revised Schedule A to the Amended Retail Water Service Agreement. (Exhibit A).

19. The Authority's water system is the sole source of water supply to the Retail Service Properties because its existing water mains are the only water system mains to which service lines to the Retail Service Properties can be feasibly connected. Since the Township has no water system infrastructure in the area to which the Retail Service Properties can be reasonably connected, the proposed development or redevelopment of the Retail Service Properties is wholly dependent upon the availability of a water supply from the Authority.

20. The Authority's sale of water at retail within the Township in accordance with the Amended Retail Water Service Agreement will serve the public convenience by insuring that water customers within the Stanbery Development and other developed or to be developed or redeveloped properties which constitute the Retail Service Properties deal directly with the only entity providing their water service. The appropriateness of this arrangement is recognized by the Township, the Creating Municipalities, the MCMUA and the Authority, all of which have endorsed the Authority's provision of retail water service to the Retail Service Properties which the Township has requested that it serve.

21. The names, titles and addresses of the persons to whom correspondence or communications in this matter are to be directed are:

Edward K. DeHope, Esq.  
Riker, Danzig, Scherer, Hyland & Perretti LLP  
1 Speedwell Avenue  
P.O. Box 1980  
Morristown, NJ 07960  
Tel: 973 451 8422  
Email: [edehope@riker.com](mailto:edehope@riker.com)

and

Sidney D. Weiss, Esq.  
General Counsel  
The Southeast Morris County Municipal Utilities Authority  
19 Saddle Road  
Cedar Knolls, NJ  
Tel: 973 326 7234  
Email: [sdweiss@smcmua.org](mailto:sdweiss@smcmua.org)

**WHEREFORE**, Petitioner Township of Parsippany-Troy Hills respectfully requests that the Board approve the Township Resolution 2019-224 (Exhibit C) requesting the Authority to sell water at retail within the Township as necessary and proper for the public convenience pursuant to N.J.S.A. 40:14B-20(6).

Respectfully submitted,

Riker, Danzig, Scherer, Hyland & Perretti  
LLP  
Attorneys for Petitioner,  
the Township of Parsippany-Troy Hills



By: Edward K. DeHope, Esq.


Dated: March 10, 2020



**VERIFICATION**

Edward K. DeHope, of full age, hereby certifies as follows:

1. I am an attorney licensed to practice in New Jersey and am a partner with Riker, Danzig, Scherer, Hyland & Perretti, LLP (“Firm”).
2. The Firm represents the Township of Parsippany-Troy Hills (“Township”) and I represent the Township in matters related to its water and sewer utilities.
3. I represented the Township in its negotiations with the Southeast Morris County Municipal Utilities Authority (“SMCMUA”) which culminated in an Amended Agreement for Sale of Water at Retail Within the Township of Parsippany-Troy Hills by the SMCMUA (“Amended Retail Water Service Agreement”) and prepared Resolution 2019-224 by which the Township Council approved the provision of retail water service by SMCMUA to certain properties within the Township and the Amended Retail Water Service Agreement.
4. I have knowledge of the facts recited in the Petition to which this Verification is attached and believe these facts to be true.

By:   
Edward K. DeHope

Dated: March 10, 2020

## INDEX OF EXHIBITS

- A. Amended Agreement for Sale of Water at Retail Within the Township of Parsippany-Troy Hills By and Between the Southeast Morris County Municipal Utilities Authority and The Township of Parsippany-Troy Hills dated December 3, 2019
- B. Resolution No. 111-19 of the Southeast Morris County Municipal Utilities Authority Approving Amended Retail Service Agreement With the Township of Parsippany-Troy Hills and Requesting Permission of the Creating Municipalities and The Morris County Municipal Utilities Authority for Extension of Facilities Outside the District Pursuant Thereto dated November 21, 2019
- C. Resolution 2019-224 of the Township Council of the Township of Parsippany-Troy Hills, County of Morris, State of New Jersey, Approving an Amended Retail Water Service Agreement With the Southeast Morris County Municipal Utilities Authority and Authorizing the Filing of a Petition With the New Jersey Board of Public Utilities Pursuant to N.J.S.A. 40:14B-20(6) dated December 3, 2019
- D. Resolutions of Creating Municipalities Consenting to Request of the Township of Parsippany-Troy Hills for Service Outside the District of the Southeast Morris County Municipal Utilities Authority:
- Township Committee of The Township of Hanover dated December 12, 2019
  - Township Committee of The Township of Morris dated December 18, 2019
  - Borough Council of the Borough of Morris Plains dated December 20, 2019
  - Town Council of the Town of Morristown dated January 7, 2020
- E. Resolution No. 20-05 of the Morris County Municipal Utilities Authority Consenting to Request of the Township of Parsippany-Troy Hills for Service Outside the District of the Southeast Morris County Municipal Utilities Authority dated January 7, 2010

# **EXHIBIT A**

EXHIBIT "A"

AMENDED AGREEMENT FOR SALE OF WATER AT RETAIL  
WITHIN THE TOWNSHIP OF PARSIPPANY-TROY HILLS

By and Between

THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

and

THE TOWNSHIP OF PARSIPPANY-TROY HILLS

THIS AMENDED AGREEMENT made the 3 day of December, 2019,  
by and between THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY, a body  
corporate and politic of the State of New Jersey, having its offices at 19 Saddle Road, Cedar  
Knolls, New Jersey 07927 (hereinafter referred to as "the Authority"), and the TOWNSHIP OF  
PARSIPPANY-TROY HILLS, a municipal corporation of the State of New Jersey, having its offices  
at 1001 Parsippany Boulevard, Parsippany, New Jersey 07054 (hereinafter referred to as "the  
Township").

WITNESSETH:

WHEREAS, the Authority and the Township each operate public water systems providing  
potable water and water for fire protection service to customers within their respective service  
areas; and

WHEREAS, the Authority and the Township are parties to a certain Water Supply  
Agreement, dated January 21, 1977 (the "Bulk Sales Agreement"); whereby the Authority  
agreed to sell and the Township agreed to purchase a supply of water at the Authority's bulk  
sales rate as set forth in its Rules and Regulations for Water Service (hereinafter the "Tariff");  
and

WHEREAS, the Township has requested the Authority to provide direct service at retail rates to several properties within the Township and the Township's service area, which properties are identified in Revised Schedule "A" annexed hereto and made part hereof (the "Retail Service Properties"); and to such other properties as may be agreed upon by the Authority and the Township subject to approval of the Authority's Creating Municipalities (as hereinafter defined) and such other approvals as may be required by law or contract; and

WHEREAS, the Authority is a municipal utilities authority formed pursuant to N.J.S.A. 40:14B-1 et seq., (the "Authorities Act") by the Town of Morristown, the Townships of Morris and Hanover, and the Borough of Morris Plains, all in the County of Morris and State of New Jersey (hereinafter collectively the "Creating Municipalities"); and

WHEREAS, the district of the Authority is comprised of the territorial areas of the Creating Municipalities (the "District"); and

WHEREAS, the Township is outside the District of the Authority; and

WHEREAS, the Authority is prohibited by the Authorities Act from selling water at retail in any municipality outside its District "unless the governing body of such municipality shall have adopted a resolution requesting the municipal authority to sell water at retail in such municipality, and the board of public utility commissioners [sic] shall have approved such resolution as necessary and proper for the public convenience." *N.J.S.A. 40:14B-20 (6)*; and

WHEREAS, the Township did on June 25, 2019, adopt such a resolution requesting the Authority to provide service to the Retail Service Properties (the "Service Resolution"); and

WHEREAS, the Authority is willing to sell water at retail to such customers and properties in the Township on the terms and conditions hereinafter set forth; and

WHEREAS, by this Amended Agreement, the Parties desire to amend and supersede a prior agreement dated July 9, 2019, entitled "Agreement For the Sale of Water at Retail within the Township of Parsippany-Troy Hills" and replace it in its entirety by this Amended Agreement;

NOW, THEREFORE, in consideration of the promises and the mutual covenants hereinafter set forth, the parties agree as follows:

1. The Authority agrees to sell water to the Retail Service Properties; such service to be provided at the Authority's regular retail rates applicable to customers within the District as set forth in the Authority's Tariff, which rates may be modified from time to time in the manner provided by law ("Regular Retail Rates"). The Authority also agrees to provide such service to other properties in the Township as may be agreed upon by the Authority and the Township subject, however, to the prior approval of the Creating Municipalities and such other approvals as may be required by law or contract.
2. The Authority further agrees that Regular Retail Rates charged to the Retail Service Properties customers and other retail customers within the Township pursuant to this Amended Agreement shall be the same as the rates charged to comparable customers and classes of customers within the Authority's District. In the event the Authority is required by any law, or court or administrative order, to serve any of the Retail Service Properties or other properties hereafter served pursuant to this Amended Agreement at rates other than the rates charged to comparable customers and classes of customers within its District, the Authority shall have the right, but not the obligation, to terminate this Amended Agreement on written notice to the Township; and upon such termination such properties shall revert to being served by the Township pursuant to the Bulk Sales Agreement.
3. This Amended Agreement shall be subject to and contingent upon (i) approval of the Service Resolution by the New Jersey Board of Public Utilities (hereinafter "BPU") as necessary and proper for the public convenience pursuant to the requirements of N.J.S.A. 40:14B-20(6); and (ii) to the extent required by law or contract, the consents of the Authority's Creating Municipalities and the Morris County Municipal Utilities Authority (the "MCMUA"). (The approvals referred to in items (i) and (ii) above are hereinafter referred to as the "Approvals".)

4. The Township agrees to make prompt application to the New Jersey Board of Public Utilities (“BPU”) for approval of the Service Resolution pursuant to N.J.S.A. 40:14B-20(6), such application to be made at the Township's sole expense. The Authority agrees to cooperate, in all reasonable respects, toward obtaining such approval and shall consent to the Township's application at the request of the Township.
5. The Authority agrees, to the extent required and applicable, to make prompt application to the Creating Municipalities and the MCMUA, such application to be made at the Authority's sole expense. The Township agrees to cooperate, in all reasonable respects, toward obtaining such approvals and shall consent to the Authority's applications at the request of the Authority.
6. In the event any of the required Approvals shall be denied; or not granted within one (1) year from the date of this Amended Agreement (or such later date as may be agreed upon in writing by the parties); or shall contain any condition or requirement not acceptable to either the Authority or the Township including, without limitation, any condition or requirement that customers within the Township be served at rates other than the Authority's Regular Retail Rates as defined in Section 1 of this Agreement, then, in any such event this Amended Agreement shall terminate and neither party shall be under any further obligation to the other with respect to the provisions hereof.
7. All sales of water pursuant to this Agreement shall be subject in all respect to the provisions of the Authority's Tariff as presently adopted and as may be supplemented and modified from time to time in accordance with law.

8. Except as expressly provided in the Bulk Sales Agreement or this Amended Agreement, the Authority shall not be obligated to change, extend or enlarge its existing water mains or other water supply facilities located in the Township or to provide water service outside of its District without the Authority's prior written consent, the consent of the Creating Municipalities and any other consents or approvals which may be required by law or contract.
9. The Township agrees that in the event a water emergency is declared by the Authority, the Township shall issue a similar declaration within its municipal limits, applicable to customers of the Authority, and promulgate such conservation measures as shall be necessary to reduce water consumption by such customers to the same extent as such conservation measures are imposed within the Authority's District.
10. This Amended Agreement shall supersede, cancel and replace a prior Agreement of the parties dated July 9, 2019 entitled "Agreement For Sale of Water at Retail within the Township of Parsippany Troy Hills." This Amended Agreement shall also supplement but not amend (except as expressly provided in Section 11 of this Amended Agreement) the provisions of the Bulk Sales Agreement, which agreement shall continue in full force and effect as to the sale of water by the Authority to the Township at the Authority's bulk service rates for use by the Township as therein provided. Termination of this Amended Agreement for failure of the Approvals or for any other reason shall not terminate or affect the continued validity, rights and obligations of the parties under the Bulk Sales Agreement. Similarly, termination of the Bulk Sales Agreement for any reason shall not terminate or affect the continued validity, rights and obligation of the parties under this Amended Agreement.

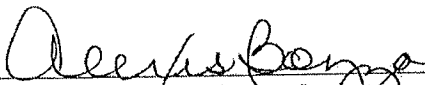



11. The Authority and the Township agree that the volume of water sold to customers at the Retail Service Properties shall count as purchased under the Bulk Sales Agreement for the purpose of determining whether the minimum purchase requirement set forth in Article 1, Paragraph B of the Bulk Sales Agreement has been met by the Township.

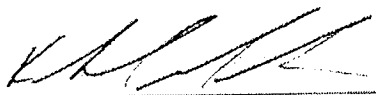
IN WITNESS WHEREOF, the parties have caused this Amended Agreement to be duly executed as of the day and year first above written.

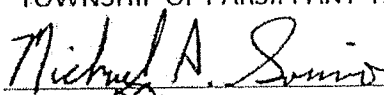
WITNESS OR ATTEST:

THE SOUTHEAST MORRIS COUNTY  
MUNICIPAL UTILITIES AUTHORITY

  
\_\_\_\_\_  
Alexis Bozza, Assistant Secretary

By:   
\_\_\_\_\_  
Dennis Baldassari, Chairman

  
\_\_\_\_\_  
Khaled Madin, Clerk

TOWNSHIP OF PARSIPPANY-TROY HILLS  
By:   
\_\_\_\_\_  
Michael A. Soriano, Mayor

## Revised Schedule A

### Properties within the Township of Parsippany-Troy Hills to Receive Retail Water Service from The Southeast Morris County Municipal Utilities Authority

| ADDRESS                         | BLOCK AND LOT                 | COMMENTS   |
|---------------------------------|-------------------------------|--|
| 500 Hanover Avenue              | Block 7, Lot 2                | Police and Fire Academy  |
| 1515 Route 10 East <sup>1</sup> | Block 200, Lots 1.02 and 1.03 | Mixed Use; Residential and Commercial  |
| 1639 Route 10 East              | Block 200, Lot 1.01           | Delta Building   |
| 1719 Route 10 East              | Block 200, Lot 1              | Octagon Business Center, Starbucks,<br>Proposed Hotel and Restaurant           |
| 169 Johnson Road                | Block 200, Lot 8              | Weichert Building  |
| 59 Koch Avenue                  | -                             | Greystone Park (Emergency Supply and<br>Service to Wastewater Treatment Plant) |

<sup>1</sup> Block 200, Lot 1.03 will become part of the Township upon completion of its annexation from Hanover Township as part of a land-swap with Hanover Township which currently is in process. As per the Service Resolution, inclusion of Block 200, Lot 1.03 as one of the Retail Service Properties to be served by the Authority within the Township is contingent upon completion of the annexation process.

Note: 1900 Route 10 East, Block 176, Lot 8 (Zinburger) shown on the Original Schedule A, attached to the original Retail Service Agreement dated July 9, 2019, has been deleted since the parties have agreed that such property will be disconnected from the Authority's water system and connected to the Township's water system on or before December 31, 2020. Pending such transfer, this property will continue to be served pursuant to the Bulk Sales Agreement of the parties dated January 21, 1977.

EXHIBIT "B"

PROPERTIES SERVED IN PARSIPPANY FOR WHICH  
NO CREATING MUNICIPAL CONSENT CAN BE LOCATED

Property

1380 S. Beverwyck Road  
11 Troy Road

Use

Residential  
Residential

# **EXHIBIT B**



# Southeast Morris County Municipal Utilities Authority

19 SADDLE ROAD • CEDAR KNOLLS, NEW JERSEY 07927 • TEL 973-326-6880 • FAX 973-326-9521

## Resolution No. 111-19

### RESOLUTION APPROVING AMENDED RETAIL SERVICE AGREEMENT WITH THE TOWNSHIP OF PARSIPPANY-TROY HILLS AND REQUESTING CONSENT OF THE CREATING MUNICIPALITIES AND THE MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY FOR EXTENSION OF FACILITIES OUTSIDE THE DISTRICT PURSUANT THERETO

WHEREAS, the Authority received a resolution from the Township of Parsippany-Troy Hills ("Parsippany") requesting the Authority to provide water and fire protection service to certain properties in Parsippany (the "Retail Service Properties") which properties are described in the requesting resolution dated June 25, 2019, a copy of which is annexed hereto as Exhibit "A" (the "Requesting Resolution"); and

WHEREAS, the Authority currently provides water to properties in Parsippany pursuant to a Bulk Sales Agreement between the Authority and Parsippany dated January 21, 1977 (the "Bulk Sales Agreement") which Bulk Sales Agreement provides for billing to and payment by Parsippany at the Authority's bulk service rates rather than to and by the customers; and

WHEREAS, the Requesting Resolution requested that service to the properties described therein be provided and directly billed to the properties at the Authority's regular retail rates rather than to Parsippany under the Bulk Sales Agreement; and

WHEREAS, the Authority and Parsippany entered into a certain agreement dated July 9, 2019, entitled "Agreement for Sale of Water at Retail within the Township of Parsippany-Troy Hills" (the "Original Retail Service Agreement"); and

WHEREAS, the Parties have agreed to amend the Original Retail Service Agreement, in its entirety, to redefine the Retail Service Properties, clarify its applicability and extend the time for obtaining certain approvals referred to therein (and below), as more particularly set forth in a Proposed "Amended Agreement for Sale of Water at Retail within the Township of Parsippany-Troy Hills", a copy of which is annexed hereto as Exhibit "B" (the "Amended Agreement" or "Amended Retail Service Agreement"); and

WHEREAS, the Retail Service Properties (as redefined in the Amended Agreement) have access to the Authority's infrastructure in Parsippany but may also require construction of a new main extension outside the District as described in a Supplemental Certification of the Chief Engineer dated November 21, 2019, and annexed hereto as Exhibit "C" (the "Supplemental Chief Engineer's Certification"); and

#### Board Members

**Morristown:**  
Mary E. Dougherty  
Donald Kissil

**Morris Township:**  
Dennis Baldassari  
Michael Chumer, Ph. D.

**Morris Plains:**  
Jack Doherty  
Ralph R. Rotando

**Hanover Township:**  
Saverio C. Iannaccone  
Adolf Schimpf, Ph. D.

**Executive Director:** Laura Cummings, P.E.

**Superintendent:** Kenneth A. Crawford, C.P.W.M.

WHEREAS, the proposed service and main extension require the approval of the Authority's four creating municipalities and the Morris County Municipal Utilities Authority; and

WHEREAS, requests for such approvals were previously applied for by the Authority on January 31, 2017 which have not been secured and need to be re-applied for pursuant to the Amended Agreement; and

WHEREAS, the Authority is unable to provide service outside the District at retail rates unless the Requesting Resolution is submitted to and approved by the New Jersey Board of Public Utilities ("BPU") as necessary and proper for the public convenience; and

WHEREAS, the Proposed Amended Agreement is subject, inter alia, to the Authority obtaining the consents of its creating municipalities to the proposed service and new main extension outside the District; and

WHEREAS, the proposed Amended Agreement is further subject to Parsippany filing a Petition with the BPU for such approval and Parsippany has agreed to do so at its expense; and

WHEREAS, the Authority's Chief Engineer has certified, in the aforementioned Supplemental Chief Engineer's Certification attached hereto as Exhibit "C", that the proposed service and main extension are feasible and will not substantially impair the agility of the Authority to meet existing and reasonable foreseeable service requirements within the District; and

WHEREAS, the proposed service and extension are the most feasible way of serving the Retail Service Properties; and

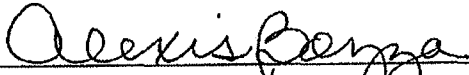
WHEREAS, the proposed service and extension are in the best interest of the Water System, customers within the District and the public interest in that it will provide additional revenues to the Authority from connection fees and service charges without any significant cost to the Authority for new infrastructure, such cost, as needed, to be borne by one or more developers of the Retail Service Properties.

NOW THEREFORE, BE IT RESOLVED by The Southeast Morris County Municipal Utilities Authority that:

1. The proposed Amended Retail Service Agreement between the Authority and Parsippany be and the same is hereby approved substantially in the form annexed hereto subject to such revisions as may be approved by the Chairman or Vice Chairman after consultation with the Executive Director and General Counsel, the execution of such agreement by the Chairman with any such revisions to be conclusive evidence of such approval.
2. The Chairman or Vice Chairman and Secretary or Assistant Secretary be and are authorized to sign the Amended Retail Service Agreement on behalf of the Authority in the manner prescribed by law.

3. The Chairman or Vice Chairman and Secretary or Assistant Secretary are further authorized and directed to approve and execute any amendments or revisions to the Bulk Sales Agreement as the Executive Director and General Counsel shall determine are reasonably necessary for compliance with the Amended Retail Service Agreement hereby approved.
4. The proper officers and staff of the Authority be and are hereby authorized and directed to re-apply for the required consents of the Authority's Creating Municipalities and the Morris County Municipal Utilities Authority to the provision of service at retail rates and construction of a new main extension in accordance with the provisions of the Amended Retail Service Agreement approved by this Resolution.
5. The proper officers, staff and consultants of the Authority are hereby authorized and directed to cooperate in all reasonable respects with Parsippany's Petition to the BPU as provided in the Retail Service Agreement.

ATTEST:



ALEXIS BOZZA, Assistant Secretary

THE SOUTHEAST MORRIS COUNTY  
MUNICIPAL UTILITIES AUTHORITY



DENNIS BALDASSARI, Chairman

Dated: November 21, 2019

**TOWNSHIP OF PARSIPPANY-TROY HILLS  
MORRIS COUNTY, NEW JERSEY**

**RESOLUTION**

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**R2019-139: RESOLUTION OF THE TOWNSHIP OF PARSIPPANY-TROY HILLS, COUNTY OF MORRIS, STATE OF NEW JERSEY AUTHORIZING REQUEST TO THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY TO SELL WATER AT RETAIL TO CERTAIN PROPERTIES LOCATED ALONG ROUTE 10 EAST AND JOHNSON ROAD IN THE TOWNSHIP, APPROVING A RETAIL SERVICE AGREEMENT AND AUTHORIZING FILING OF A PETITION WITH THE BOARD OF PUBLIC UTILITIES PURSUANT TO N.J.S.A. 40:14B-20(6)**

**WHEREAS**, the water system formerly owned and operated by the Town of Morristown ("Town") provided water service to properties in certain parts of the Township of ParsIPPany-Troy Hills ("Township") which were a significant distance from the Township's water system infrastructure; and

**WHEREAS**, in 1977 The Southeast Morris County Municipal Utilities Authority (the "Authority") acquired and subsequently has operated the water system formerly owned and operated by the Town; and

**WHEREAS**, the Authority has provided service to properties within the Township previously served by the Town and to properties in discrete areas within the Township which were developed subsequent to 1977 and which are in closer proximity to the Authority's water system infrastructure than to the Township's water system infrastructure, including the property at 500 Hanover Avenue, Block 7, Lot 2 on the Tax Map of the Township, on which the County of Morris has located a Police and Fire Academy (the "Police and Fire Academy Property"); and

**WHEREAS**, the water service provided to the Township by the Authority has been provided in accordance with the terms of an Agreement for Supply of Water dated January 21, 1977, by which the Authority provides the water on a bulk sale (wholesale) basis to certain properties within the Township ("Bulk Sale Agreement"); and

**WHEREAS**, the developers of The District at 1515 will require the extension of water service to premises consisting of over approximately 441 residential apartment units and approximately 100,000 square feet of commercial space to be constructed and located at 1515 Route 10 East, Block 200, Lots 1.02 and 1.03, on the Tax Map of the Township ("Stanbery Development"); and

**WHEREAS**, the Stanbery Development property, the Police and Fire Academy property and several other commercial properties within the Township currently receive water from the Authority under the Bulk Sale



Agreement under circumstances where none of the Township's water system infrastructure is utilized for their supply; and

**WHEREAS**, the Township believes it would be more appropriate for the Authority to sell water at retail to customers in the Township at the Stanbery Development, the Police and Fire Academy Property, and near-by commercial and proposed multi-family residential properties located at 1639 Route 10 East, Block 200, Lot 1.01; 1719 Route 10 East, Block 200, Lot 1; 1900 Route 10 East, Block 176, Lot 8; 119 Johnson Road, Block 200, Lot 4; 159 Johnson Road, Block 200, Lot 5 and 169 Johnson Road, Block 200, Lot 8 of the Tax Map of the Township, (collectively, the "Retail Service Properties"), and to such additional new properties within the Township as may hereafter be agreed upon by the Authority and the Township and has concluded that the provision of such service by the Authority would be in the public interest; and

**WHEREAS**, Block 200, Lot 1.03, which is part of the proposed Stanbery Development, will become part of Parsippany upon completion of its annexation from Hanover Township as part of a land-swap with Hanover Township, which currently is in process and inclusion of Block 200, Lot 1.03 as one of the Retail Service Properties to be served by the Authority within the Township is contingent upon completion of this annexation process; and

**WHEREAS**, in response to the Township's request that the Authority provide retail water service to the Retail Service Properties within the Township, the Township and Authority have negotiated an agreement for provision of retail water service by the Authority within the Township (the "Retail Service Agreement") setting forth the terms of service to be provided by the Authority to retail customers within the Township, which Retail Service Agreement is supplemental to the Bulk Sale Agreement between the same parties and such Retail Service Agreement is attached as Exhibit A to this Resolution; and

**WHEREAS**, to further the Township's intent that water customers on commercial properties therein which receive their water supply from the Authority under the Bulk Sale Agreement become retail customers of the Authority under the Retail Service Agreement, the Business Administrator, in consultation with the water superintendent, should be authorized to make arrangements with the Authority to bring about this change if it is discovered that additional commercial properties are receiving their water supply from the Authority under the Bulk Sale Agreement;

**NOW, THEREFORE, BE IT RESOLVED**, by the Parsippany-Troy Hills Township Council, County of Morris, State of New Jersey, that:

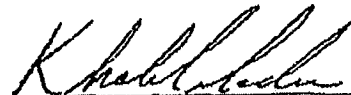
1. A Retail Service Agreement with The Southeast Morris County Municipal Utilities Authority for the retail sale of water within the Township, substantially in the form submitted to the Township Council, and attached hereto as Exhibit A, is hereby approved; and the Mayor and Township Clerk are hereby authorized and directed to execute said agreement on behalf of the Township of Parsippany-Troy Hills.

2. The Township of Parsippany-Troy Hills hereby requests that The Southeast Morris County Municipal Utilities Authority sell water at retail in the Township to customers at the Retail Service Properties described in this Resolution, with inclusion of Block 200, Lot 1.03 subject to completion of the annexation process described above, and in the future to such other customers at properties in other parts of the Township as may be agreed upon by the Township and the Authority, in accordance with the provisions of the aforesaid Retail Service Agreement; and further authorizes the filing of a Petition by the Township with the New Jersey Board of Public Utilities, pursuant to N.J.S.A. 40:14B-20(6), to approve this Resolution and secure authorization for the Authority to provide retail water service within the Township as therein provided.

3. The Township's Business Administrator, after consulting with the Township's Water Superintendent, is hereby authorized to request that the Southeast Morris County Municipal Utilities Authority provide retail water service in accordance with the retail Service Agreement to water customers on any Township commercial property receiving its water supply from the Authority under the Bulk Sale Agreement and further to execute on behalf of the Township any documents required to bring about this change.

| COUNCIL MEMBER | Aye | Nay | Abstain | Absent | Motion | Second |
|----------------|-----|-----|---------|--------|--------|--------|
| Mr. Carifi     | X   |     |         |        |        |        |
| Mr. dePierro   | X   |     |         |        |        |        |
| Mrs. Gragnani  | X   |     |         |        |        |        |
| Mrs. McCarthy  | X   |     |         |        | X      |        |
| Mrs. Peterson  | X   |     |         |        |        | X      |

THIS IS TO CERTIFY THAT THE ABOVE IS A TRUE AND LAWFUL COPY OF A RESOLUTION ADOPTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF PARSIPPANY-TROY HILLS, COUNTY OF MORRIS, STATE OF NEW JERSEY AT ITS MEETING OF JUNE 25, 2019.

  
 \_\_\_\_\_  
 KHALED MADIN  
 TOWNSHIP CLERK

  
 \_\_\_\_\_  
 COUNCIL PRESIDENT PAUL CARIFI JR.

**EXHIBIT A**

**AGREEMENT FOR SALE OF WATER AT RETAIL  
WITHIN THE TOWNSHIP OF PARSIPPANY-TROY HILLS**

**By and Between**

**THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY**

**and**

**THE TOWNSHIP OF PARSIPPANY-TROY HILLS**

THIS AGREEMENT made the \_\_\_\_ day of June, 2019, by and between THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY, a body corporate and politic of the State of New Jersey, having its offices at 19 Saddle Road, Cedar Knolls, New Jersey 07927 (hereinafter referred to as "the Authority"), and the TOWNSHIP OF PARSIPPANY-TROY HILLS, a municipal corporation of the State of New Jersey, having its offices at 1001 Parsippany Blvd, Parsippany, New Jersey 07054 (hereinafter referred to as "the Township").

**WITNESSETH:**

WHEREAS, the Authority and the Township each operate public water systems providing potable water and water for fire protection service to customers within their respective service areas; and

WHEREAS, the Authority and the Township are parties to a certain Water Supply Agreement, dated January 21, 1977 (the "Bulk Sales Agreement"); whereby the Authority agreed to sell and the Township agreed to purchase a supply of water at the Authority's bulk sales rate as set forth in its Rules and Regulations for Water Service (hereinafter the "Tariff"); and

WHEREAS, the Township has requested the Authority to provide direct service at retail rates to several properties within the Township and the Township's service area, which properties are identified in Schedule "A" annexed hereto and made part hereof and to such other properties as may hereafter be agreed upon by the Authority and the Township (the "Retail Service Properties"); and

WHEREAS, the Authority is a municipal utilities authority formed pursuant to N.J.S.A. 40:14B-1 et seq., (the "Authorities Act") by the Town of Morristown, the Townships of Morris and Hanover, and the Borough of Morris Plains, all in the County of Morris and State of New Jersey (hereinafter collectively the "Creating Municipalities"); and

WHEREAS, the district of the Authority is comprised of the territorial areas of the Creating Municipalities (the "District") and

WHEREAS, the Township is outside the District of the Authority; and

WHEREAS, the Authority is prohibited by the Authorities Act from selling water at retail in any municipality outside its District "unless the governing body of such municipality shall have adopted a resolution requesting the municipal authority to sell water at retail in such municipality, and the board of public utility commissioners [sic] shall have approved such resolution as necessary and proper for the public convenience." *N.J.S.A. 40:14B-20 (6)*; and

WHEREAS, the Township did on June 25, 2019, adopt such a resolution requesting the Authority to provide service to the Retail Service Properties (the "Service Resolution"); and

WHEREAS, the Authority is willing to sell water at retail to such customers and properties in the Township on the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the promises and the mutual covenants hereinafter set forth, the parties agree as follows:

1. The Authority agrees to sell water to the Retail Service Properties; such service to be provided at the Authority's regular retail rates applicable to customers within the District as set forth in the Authority's Tariff, which rates may be modified from time to time in the manner provided by law ("Regular Retail Rates").

2. The Authority further agrees that Regular Retail Rates charged to the Retail Service Properties customers and other retail customers within the Township pursuant to this Agreement shall be the same as the rates charged to comparable customers and classes of customers within the Authority's District. In the event the Authority is required by any law, or court or administrative order, to serve any of the Retail Service Properties or other properties hereafter served pursuant to this Agreement at rates other than the rates charged to comparable customers and classes of customers within its District, the Authority shall have the right, but not the obligation, to terminate this Agreement on written notice to the Township; and upon such termination such properties shall revert to being served by the Township pursuant to the Bulk Sales Agreement.
3. This Agreement shall be subject to and contingent upon (i) approval of the Service Resolution by the New Jersey Board of Public Utilities (hereinafter "BPU") as necessary and proper for the public convenience pursuant to the requirements of N.J.S.A. 40:14B-20(6); and (ii) to the extent required by law or contract, the consents of the Authority's Creating Municipalities and the Morris County Municipal Utilities Authority (the "MCMUA"). (The approvals referred to in Items (i) and (ii) above are hereinafter referred to as the "Approvals".)
4. The Township agrees to make prompt application to the New Jersey Board of Public Utilities ("BPU") for approval of the Service Resolution pursuant to N.J.S.A. 40:14B-20(6), such application to be made at the Township's sole expense. The Authority agrees to cooperate, in all reasonable respects, toward obtaining such approval and shall consent to the Township's application at the request of the Township.
5. The Authority agrees, to the extent required and applicable, to make prompt application to the Creating Municipalities and the MCMUA, such application to be made at the Authority's sole expense. The Township agrees to cooperate, in all reasonable respects, toward obtaining such approvals and shall consent to the Authority's applications at the request of the Authority.

6. In the event any of the required Approvals shall be denied; or not granted within one (1) year from the date of this Agreement (or such later date as may be agreed upon in writing by the parties); or shall contain any condition or requirement not acceptable to either the Authority or the Township including, without limitation, any condition or requirement that customers within the Township be served at rates other than the Authority's Regular Retail Rates as defined in Section 1 of this Agreement, then, in any such event this Agreement shall terminate and neither party shall be under any further obligation to the other with respect to the provisions hereof.
7. All sales of water pursuant to this Agreement shall be subject in all respect to the provisions of the Authority's Tariff as presently adopted and as may be supplemented and modified from time to time in accordance with law.
8. Except as expressly provided in the Bulk Sales Agreement or this Agreement, the Authority shall not be obligated to change, extend or enlarge its existing water mains or other water supply facilities located in the Township or to provide water service outside of its District without the Authority's prior written consent, the consent of the Creating Municipalities and any other consents or approvals which may be required by law or contract.
9. The Township agrees that in the event a water emergency is declared by the Authority, the Township shall issue a similar declaration within its municipal limits, applicable to customers of the Authority, and promulgate such conservation measures as shall be necessary to reduce water consumption by such customers to the same extent as such conservation measures are imposed within the Authority's District.

10. This Agreement shall supplement but not amend (except as expressly provided in Section 11 of this Agreement) the provisions of the Bulk Sales Agreement, which agreement shall continue in full force and effect as to the sale of water by the Authority to the Township at the Authority's bulk service rates for use by the Township as therein provided. Termination of this Agreement for failure of the Approvals or for any other reason shall not terminate or affect the continued validity, rights and obligations of the parties under the Bulk Sales Agreement. Similarly, termination of the Bulk Sales Agreement for any reason shall not terminate or affect the continued validity, rights and obligation of the parties under this Agreement.

11. The Authority and the Township agree that the volume of water sold to customers at the Retail Service Properties shall count as purchased under the Bulk Sales Agreement for the purpose of determining whether the minimum purchase requirement set forth in Article 1, Paragraph B of the Bulk Sales Agreement has been met by the Township.

IN WITNESS WHEREOF, the parties have caused the Agreement to be duly executed as of the day and year first above written.

WITNESS OR ATTEST:

THE SOUTHEAST MORRIS COUNTY  
MUNICIPAL UTILITIES AUTHORITY

\_\_\_\_\_  
Alexis Bozza, Assistant Secretary

By: \_\_\_\_\_  
Dennis Baldassari, Chairman

TOWNSHIP OF PARSIPPANY-TROY HILLS

\_\_\_\_\_  
Khaled Madin, Clerk

By: \_\_\_\_\_  
Michael J. Soriano, Mayor



## Schedule A

### Properties Within the Township of Parsippany-Troy Hills to Receive Retail Water Service from the Southeast Morris County Municipal Utilities Authority

500 Hanover Avenue, Block 7, Lot 2

1515 Route 10 East, Block 200, Lots 1.02 and 1.03<sup>1</sup>

1639 Route 10 East, Block 200, Lot 1.01

1719 Route 10 East, Block 200, Lot 1

1900 Route 10 East, Block 176, Lot 8

119 Johnson Road, Block 100, Lot 4

159 Johnson Road, Block 200, Lot 5

169 Johnson Road, Block 200, Lot 8

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<sup>1</sup> Block 200, Lot 1.03 will become part of the Township upon completion of its annexation from Hanover Township as part of a land-swap with Hanover Township which currently is in process. As per the Service Resolution, inclusion of Block 200, Lot 1.03 as one of the Retail Service Properties to be served by the Authority within the Township is contingent upon completion of the annexation process.

**AMENDED AGREEMENT FOR SALE OF WATER AT RETAIL  
WITHIN THE TOWNSHIP OF PARSIPPANY-TROY HILLS**

**By and Between**

**THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY**

**and**

**THE TOWNSHIP OF PARSIPPANY-TROY HILLS**

THIS AMENDED AGREEMENT made the \_\_\_\_\_ day of November, 2019, by and between THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY, a body corporate and politic of the State of New Jersey, having its offices at 19 Saddle Road, Cedar Knolls, New Jersey 07927 (hereinafter referred to as "the Authority"), and the TOWNSHIP OF PARSIPPANY-TROY HILLS, a municipal corporation of the State of New Jersey, having its offices at 1001 Parsippany Boulevard, Parsippany, New Jersey 07054 (hereinafter referred to as "the Township").

WITNESSETH:

WHEREAS, the Authority and the Township each operate public water systems providing potable water and water for fire protection service to customers within their respective service areas; and

WHEREAS, the Authority and the Township are parties to a certain Water Supply Agreement, dated January 21, 1977 (the "Bulk Sales Agreement"); whereby the Authority agreed to sell and the Township agreed to purchase a supply of water at the Authority's bulk sales rate as set forth in its Rules and Regulations for Water Service (hereinafter the "Tariff"); and

WHEREAS, the Township has requested the Authority to provide direct service at retail rates to several properties within the Township and the Township's service area, which properties are identified in Schedule "A" annexed hereto and made part hereof (the "Retail Service Properties"); and to such other properties as may be agreed upon by the Authority and the Township subject to approval of the Authority's Creating Municipalities (as hereinafter defined) and such other approvals as may be required by law or contract; and

WHEREAS, the Authority is a municipal utilities authority formed pursuant to N.J.S.A. 40:14B-1 et seq., (the "Authorities Act") by the Town of Morristown, the Townships of Morris and Hanover, and the Borough of Morris Plains, all in the County of Morris and State of New Jersey (hereinafter collectively the "Creating Municipalities"); and

WHEREAS, the district of the Authority is comprised of the territorial areas of the Creating Municipalities (the "District"); and

WHEREAS, the Township is outside the District of the Authority; and

WHEREAS, the Authority is prohibited by the Authorities Act from selling water at retail in any municipality outside its District "unless the governing body of such municipality shall have adopted a resolution requesting the municipal authority to sell water at retail in such municipality, and the board of public utility commissioners [sic] shall have approved such resolution as necessary and proper for the public convenience." *N.J.S.A. 40:148-20 (6)*; and

WHEREAS, the Township did on June 25, 2019, adopt such a resolution requesting the Authority to provide service to the Retail Service Properties (the "Service Resolution"); and

WHEREAS, the Authority is willing to sell water at retail to such customers and properties in the Township on the terms and conditions hereinafter set forth; and

WHEREAS, by this Amended Agreement, the Parties desire to amend and supersede a prior agreement dated July 9, 2019, entitled "Agreement for the Sale of Water at Retail within the Township of Parsippany-Troy Hills" and replace it in its entirety by this Amended Agreement;

NOW, THEREFORE, in consideration of the promises and the mutual covenants hereinafter set forth, the parties agree as follows:

1. The Authority agrees to sell water to the Retail Service Properties; such service to be provided at the Authority's regular retail rates applicable to customers within the District as set forth in the Authority's Tariff, which rates may be modified from time to time in the manner provided by law ("Regular Retail Rates"). The Authority also agrees to provide such service to other properties in the Township as may be agreed upon by the Authority and the Township subject, however, to the prior approval of the Creating Municipalities and such other approvals as may be required by law or contract.
2. The Authority further agrees that Regular Retail Rates charged to the Retail Service Properties customers and other retail customers within the Township pursuant to this Amended Agreement shall be the same as the rates charged to comparable customers and classes of customers within the Authority's District. In the event the Authority is required by any law, or court or administrative order, to serve any of the Retail Service Properties or other properties hereafter served pursuant to this Amended Agreement at rates other than the rates charged to comparable customers and classes of customers within its District, the Authority shall have the right, but not the obligation, to terminate this Amended Agreement on written notice to the Township; and upon such termination such properties shall revert to being served by the Township pursuant to the Bulk Sales Agreement.
3. This Amended Agreement shall be subject to and contingent upon (i) approval of the Service Resolution by the New Jersey Board of Public Utilities (hereinafter "BPU") as necessary and proper for the public convenience pursuant to the requirements of N.J.S.A. 40:14B-20(6); and (ii) to the extent required by law or contract, the consents of the Authority's Creating Municipalities and the Morris County Municipal Utilities Authority (the "MCMUA"). (The approvals referred to in items (i) and (ii) above are hereinafter referred to as the "Approvals".)

4. The Township agrees to make prompt application to the New Jersey Board of Public Utilities ("BPU") for approval of the Service Resolution pursuant to N.J.S.A. 40:14B-20(6), such application to be made at the Township's sole expense. The Authority agrees to cooperate, in all reasonable respects, toward obtaining such approval and shall consent to the Township's application at the request of the Township.
5. The Authority agrees, to the extent required and applicable, to make prompt application to the Creating Municipalities and the MCMUA, such application to be made at the Authority's sole expense. The Township agrees to cooperate, in all reasonable respects, toward obtaining such approvals and shall consent to the Authority's applications at the request of the Authority.
6. In the event any of the required Approvals shall be denied; or not granted within one (1) year from the date of this Amended Agreement (or such later date as may be agreed upon in writing by the parties); or shall contain any condition or requirement not acceptable to either the Authority or the Township including, without limitation, any condition or requirement that customers within the Township be served at rates other than the Authority's Regular Retail Rates as defined in Section 1 of this Agreement, then, in any such event this Amended Agreement shall terminate and neither party shall be under any further obligation to the other with respect to the provisions hereof.
7. All sales of water pursuant to this Agreement shall be subject in all respect to the provisions of the Authority's Tariff as presently adopted and as may be supplemented and modified from time to time in accordance with law.

8. Except as expressly provided in the Bulk Sales Agreement or this Amended Agreement, the Authority shall not be obligated to change, extend or enlarge its existing water mains or other water supply facilities located in the Township or to provide water service outside of its District without the Authority's prior written consent, the consent of the Creating Municipalities and any other consents or approvals which may be required by law or contract.
9. The Township agrees that in the event a water emergency is declared by the Authority, the Township shall issue a similar declaration within its municipal limits, applicable to customers of the Authority, and promulgate such conservation measures as shall be necessary to reduce water consumption by such customers to the same extent as such conservation measures are imposed within the Authority's District.
10. This Amended Agreement shall supersede, cancel and replace a prior Agreement of the parties dated July 9, 2019 entitled "Agreement for Sale of Water at Retail within the Township of Parsippany Troy Hills." This Amended Agreement shall also supplement but not amend (except as expressly provided in Section 11 of this Amended Agreement) the provisions of the Bulk Sales Agreement, which agreement shall continue in full force and effect as to the sale of water by the Authority to the Township at the Authority's bulk service rates for use by the Township as therein provided. Termination of this Amended Agreement for failure of the Approvals or for any other reason shall not terminate or affect the continued validity, rights and obligations of the parties under the Bulk Sales Agreement. Similarly, termination of the Bulk Sales Agreement for any reason shall not terminate or affect the continued validity, rights and obligation of the parties under this Amended Agreement.
11. The Authority and the Township agree that the volume of water sold to customers at the Retail Service Properties shall count as purchased under the Bulk Sales Agreement for the purpose of determining whether the minimum purchase requirement set forth in Article 1, Paragraph B of the Bulk Sales Agreement has been met by the Township.

IN WITNESS WHEREOF, the parties have caused this Amended Agreement to be duly executed as of the day and year first above written.

WITNESS OR ATTEST:

THE SOUTHEAST MORRIS COUNTY  
MUNICIPAL UTILITIES AUTHORITY

\_\_\_\_\_  
Alexis Bozza, Assistant Secretary

By: \_\_\_\_\_

Dennis Baldassari, Chairman

TOWNSHIP OF PARSIPPANY-TROY HILLS

\_\_\_\_\_  
Khaled Madin, Clerk

By: \_\_\_\_\_

Michael J. Soriano, Mayor

**Southeast Morris County Municipal Utilities Authority**

19 SADDLE ROAD • CEDAR KNOLLS, NEW JERSEY 07927 • TEL 973-326-6880 • FAX 973-326-9521

**SUPPLEMENTAL CERTIFICATION**

**TO:** SMCMUA Board

**FROM:** Jeff Elam, P.E., Chief Engineer

**RE:** Water Main Extension Outside of the District

**DATE:** November 21, 2019

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This is to supplement my prior Certification dated June 26, 2019 regarding the proposed new development at 1515 Route 10 East in the Township of Parsippany-Troy Hills ("Parsippany"). This project involves the demolition of an existing 306,991 ft. office complex consisting of two buildings and the construction of a mixed-use complex including residential, retail, hotel and office. The site is presently serviced by privately owned 4" domestic and 6" fire lines that extend from the Authority's main in Johnson Road.

As stated in my earlier Certification, in order to adequately service this development with domestic and fire flows, a new 12" ductile iron water main will be required to be constructed along Route 10 within the public right of way wholly in Parsippany, which is outside the District of the Authority. This proposed main will be connected into the existing SMCMUA main at Johnson Road along with the proposed site piping in connection with the proposed development. A plan of the new main extension outside the Authority's District is attached<sup>1</sup>. I am advised by General Counsel that direct or indirect service outside the District requires the approval of the Authority's Creating Municipalities; and that new main extensions outside the District require such approval and also the approval of the Morris County Municipal Utilities Authority ("MCMUA").

In response to a request for additional information from the Borough of Morris Plains, I prepared a System Capacity Analysis dated November, 2019, copies of which will be sent to the Authority's four Creating Municipalities and the MCMUA. I also participated in the preparation of the response to the request of Morris Plains for additional information, copies of which response will also be sent to the Creating Municipalities and the MCMUA.

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<sup>1</sup> The precise location and size (not to exceed 12") of the new main extension may vary pending final development plans which are currently under review by Parsippany. Any material modification will be subject to review and approval of the Authority and my certification that the variation will be within the capacity of the Water System to provide and will not substantially impair the Authority's ability to meet existing and reasonably foreseeable service requirements within the District.



I have reviewed and reconsidered the proposed service and new main extension to be provided and extended outside the District in the light of the findings of the aforementioned System Capacity Analysis dated November, 2019, and the proposed response to Morris Plains, and hereby certify that such service and extension are feasible, within the present capacity of the water system to provide potable water and fire service to the properties and will not substantially impair the Authority's ability to meet existing and reasonably foreseeable service requirements within the District. I also certify the proposed extension is in conformity with proper water supply and engineering standards. All new retail customers of the Authority in Parsippany will be required to comply with all applicable provisions of the Authority's Tariff including its rate schedules.

Therefore, I recommend that the Authority Board authorize the General Counsel, officers and staff of the Authority to request approval of the above referenced service and main extension outside the District from the creating municipalities and the MCMUA. I have reviewed the above with the Executive Director and Superintendent of the Authority and they have approved this recommendation.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jeff Elam", written over a horizontal line.

Jeff Elam, P.E.  
Chief Engineer

Attachment

The distribution system in the hydraulic model has a dead end at Junction A (ID 2381), see Figure 3 below. In order to supply the proposed development at 1515 Route 10, approximately 2,026 linear feet of 8" water main is proposed to extend the system from existing junction A (ID 2381) to proposed junction B (ID 16536).

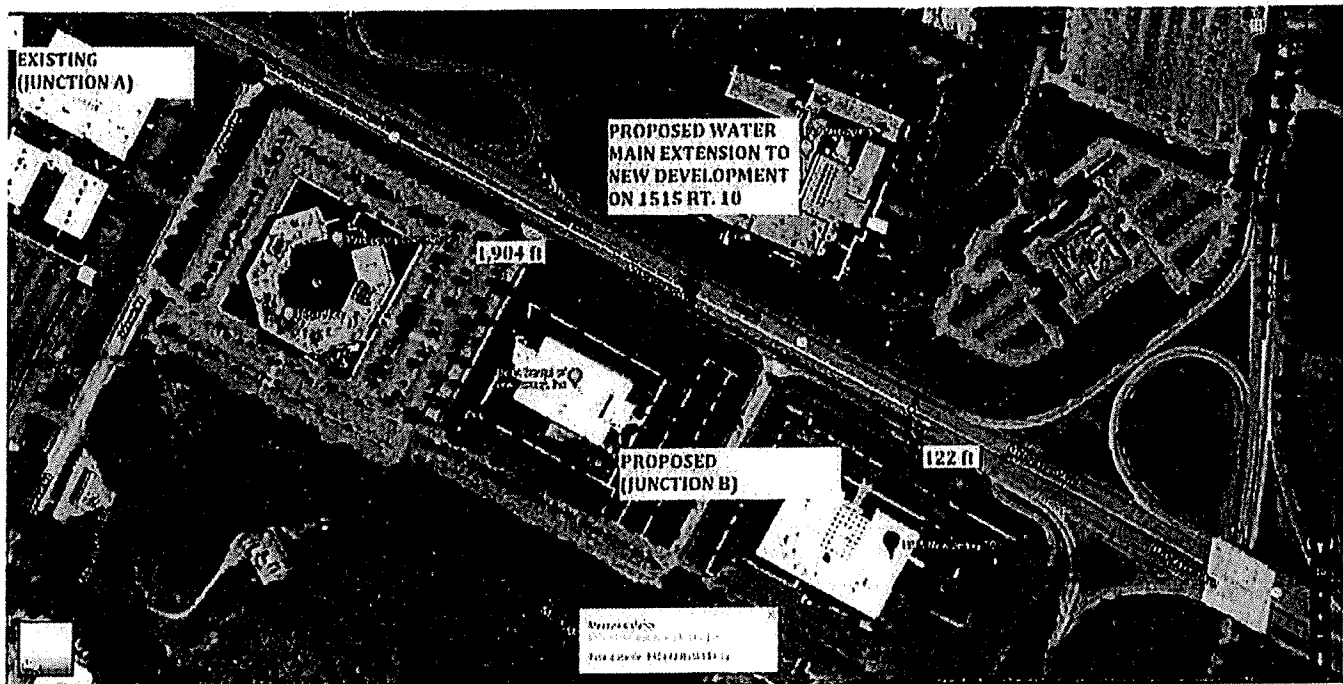


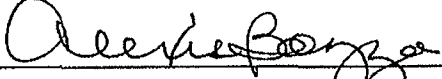
Figure 3: Proposed Development Water Main Extension – Google Maps

**Summary**

With potential future mixed-use development on 1515 Route 10 summarized above, and data provided by SMCMUA, Mott MacDonald's hydraulic analysis shows that a new 8" water main extension should provide adequate fire flow to the new development.

CERTIFICATION

I hereby certify the foregoing to be a true copy of the resolution adopted by The Southeast Morris County Municipal Utilities Authority on November 21, 2019, at a meeting duly convened of said Authority.

  
\_\_\_\_\_  
ALEXIS BOZZA, Assistant Secretary

Dated: November 21, 2019

# **EXHIBIT C**

**TOWNSHIP OF PARSIPPANY-TROY HILLS**  
**MORRIS COUNTY, NEW JERSEY**

**RESOLUTION**

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**R2019-224: RESOLUTION OF THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF PARSIPPANY-TROY HILLS, COUNTY OF MORRIS, STATE OF NEW JERSEY, APPROVING AN AMENDED RETAIL WATER SERVICE AGREEMENT WITH THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY AND AUTHORIZING THE FILING OF A PETITION WITH THE NEW JERSEY BOARD OF PUBLIC UTILITIES PURSUANT TO N.J.S.A. 40:14B-20(6)**

**WHEREAS**, by way of Resolution of 2019-139 adopted on June 25, 2019, the Township of Parsippany-Troy Hills ("Township") approved an Agreement For Sale of Water at Retail Within the Township of Parsippany-Troy Hills ("Retail Water Service Agreement") whereby the Southeast Morris County Municipal Utilities Authority ("Authority") would provide retail water service to certain designated properties within the Township which currently receive water from the Authority under an Agreement for Supply of Water dated January 21, 1977, by which the Authority provides the water on a bulk sale (wholesale) basis ("Bulk Sales Agreement"); and

**WHEREAS**, the Authority approved the Retail Water Service Agreement and said Retail Water Service Agreement was entered into on July 9, 2019, with its effectiveness contingent on approval of the Authority's creating municipalities, the Morris County Municipal Utilities Authority and the New Jersey Board of Public Utilities ("BPU") pursuant to N.J.S.A. 40:14B-20 (6), and;

**WHEREAS**, after review of the Retail Water Service Agreement by the Authority's creating municipalities, the Authority was requested to secure certain modifications to the Retail Water Service Agreement whereby (1) one of the properties currently served under the Bulk Sale Agreement, 1900 Route 10 East (Block 176, Lot 8) (Zinburger restaurant site), will continue to be served under that agreement until it is disconnected from the Authority's water system and served by the Township water system, (2) two properties which currently are not being provided water by the Authority, 119 Johnson Road (Block 100, Lot 4) and 159 Johnson Road (Block 200, Lot 5) were deleted from the schedule of properties to receive retail water service from the Authority, and (3) a clarification was added that the addition of other properties in Parsippany to become retail water service customers of the Authority is subject to approval of the Authority's creating municipalities; and

**WHEREAS**, the Authority also has added 59 Koch Avenue to the list of retail service properties in the Township to reflect the fact that the Authority currently serves the wastewater treatment plant for the Greystone Park Hospital facility and is the emergency water supplier to the Hospital; and

**WHEREAS**, by way of Resolution No. 111-19 on November 21, 2019, the Authority approved an Amended Agreement for Sale of Water at Retail Within the Township of Parsippany-Troy Hills By and Between the Southeast Morris County Municipal Utilities Authority and the Township of Parsippany-Troy Hills ("Amended Retail Water Service Agreement"), a copy of which is attached as Exhibit A to this Resolution; and

**WHEREAS**, Resolution 111-19 of the Authority, a copy of which is attached as Exhibit B to this Resolution, refers to a Supplemental Certification of its Chief Engineer that the proposed service and main extension are feasible and will not substantially impair the ability of the Authority to meet existing and reasonably foreseeable service requirements within its service district; and

WHEREAS, the Township has concluded that the Amended Retail Water Service Agreement, which wholly replaces the Retail Water Service Agreement, is in the best interest of the Township; and

NOW, THEREFORE, BE IT RESOLVED, by the Parsippany-Troy Hills Township Council, County of Morris, State of New Jersey, that:

1. An Amended Retail Water Service Agreement with the Southeast Morris County Municipal Utilities authority, substantially in the form submitted to the Township Council and attached hereto as Exhibit A, is hereby approved; and the Mayor and Township Clerk are hereby authorized and directed to execute said agreement on behalf of the Township of Parsippany-Troy Hills;

2. The Township is hereby authorized to make application to the New Jersey Board of Public Utilities in accordance with N.J.S.A. 40:14B-20(6) to secure approval for the Southeast Morris County Municipal Utilities Authority to provide retail water service to designed properties within the Township;

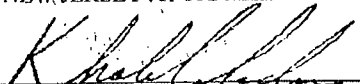
3. The Mayor and Township Clerk are further authorized and directed to approve any amendments or revisions to the Bulk Sale Agreement as the Mayor, in consultation with the Municipal Counsel, shall deem are reasonably necessary for compliance with the Amended Retail Service Agreement hereby approved.

Exhibits A and B to Resolution 111-19 are Omitted

---

| COUNCIL MEMBER | Aye | Nay | Abstain | Absent | Motion | Second |
|----------------|-----|-----|---------|--------|--------|--------|
| Mr. Carifi     | X   |     |         |        |        |        |
| Mr. dePietro   | X   |     |         |        |        | X      |
| Mrs. Gragnani  | X   |     |         |        | X      |        |
| Mrs. McCarthy  | X   |     |         |        |        |        |
| Mrs. Peterson  | X   |     |         |        |        |        |

THIS IS TO CERTIFY THAT THE ABOVE IS A TRUE AND LAWFUL COPY OF A RESOLUTION ADOPTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF PARSIPPANY-TROY HILLS, COUNTY OF MORRIS, STATE OF NEW JERSEY AT ITS MEETING OF DECEMBER 3, 2019.

  
KHALED MADIN TOWNSHIP CLERK

  
COUNCIL PRESIDENT PAUL CARIFI JR.



**Southeast Morris County Municipal Utilities Authority**  
19 SADDLE ROAD • CEDAR KNOLLS, NEW JERSEY 07927 • TEL 973-326-6880 • FAX 973-326-9521

### SUPPLEMENTAL CERTIFICATION

TO: SMCMUA Board

FROM: Jeff Elam, P.E., Chief Engineer

RE: Water Main Extension Outside of the District

DATE: November 21, 2019

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This is to supplement my prior Certification dated June 26, 2019 regarding the proposed new development at 1515 Route 10 East in the Township of Parsippany-Troy Hills ("Parsippany"). This project involves the demolition of an existing 306,991 ft. office complex consisting of two buildings and the construction of a mixed-use complex including residential, retail, hotel and office. The site is presently serviced by privately owned 4" domestic and 6" fire lines that extend from the Authority's main in Johnson Road.

As stated in my earlier Certification, in order to adequately service this development with domestic and fire flows, a new 12" ductile iron water main will be required to be constructed along Route 10 within the public right of way wholly in Parsippany, which is outside the District of the Authority. This proposed main will be connected into the existing SMCMUA main at Johnson Road along with the proposed site piping in connection with the proposed development. A plan of the new main extension outside the Authority's District is attached<sup>1</sup>. I am advised by General Counsel that direct or indirect service outside the District requires the approval of the Authority's Creating Municipalities; and that new main extensions outside the District require such approval and also the approval of the Morris County Municipal Utilities Authority ("MCMUA").

In response to a request for additional information from the Borough of Morris Plains, I prepared a System Capacity Analysis dated November, 2019, copies of which will be sent to the Authority's four Creating Municipalities and the MCMUA. I also participated in the preparation of the response to the request of Morris Plains for additional information, copies of which response will also be sent to the Creating Municipalities and the MCMUA.

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<sup>1</sup> The precise location and size (not to exceed 12") of the new main extension may vary pending final development plans which are currently under review by Parsippany. Any material modification will be subject to review and approval of the Authority and my certification that the variation will be within the capacity of the Water System to provide and will not substantially impair the Authority's ability to meet existing and reasonably foreseeable service requirements within the District.

I have reviewed and reconsidered the proposed service and new main extension to be provided and extended outside the District in the light of the findings of the aforementioned System Capacity Analysis dated November, 2019, and the proposed response to Morris Plains, and hereby certify that such service and extension are feasible, within the present capacity of the water system to provide potable water and fire service to the properties and will not substantially impair the Authority's ability to meet existing and reasonably foreseeable service requirements within the District. I also certify the proposed extension is in conformity with proper water supply and engineering standards. All new retail customers of the Authority in Parsippany will be required to comply with all applicable provisions of the Authority's Tariff including its rate schedules.

Therefore, I recommend that the Authority Board authorize the General Counsel, officers and staff of the Authority to request approval of the above referenced service and main extension outside the District from the creating municipalities and the MCMUA. I have reviewed the above with the Executive Director and Superintendent of the Authority and they have approved this recommendation.

Respectfully submitted,



Jeff Elam, P.E.  
Chief Engineer

Attachment



The distribution system in the hydraulic model has a dead end at Junction A (ID 2381), see Figure 3 below. In order to supply the proposed development at 1515 Route 10, approximately 2,026 linear feet of 8" water main is proposed to extend the system from existing junction A (ID 2381) to proposed junction B (ID 16536).

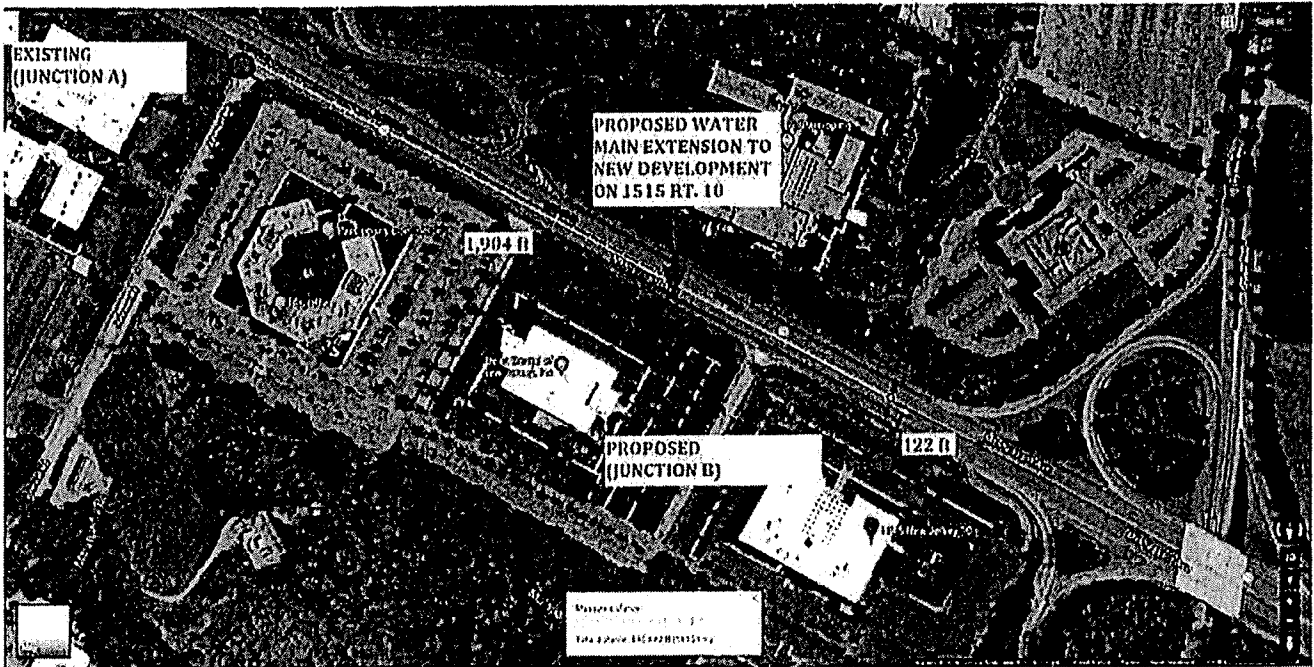


Figure 3: Proposed Development Water Main Extension – Google Maps

**Summary**

With potential future mixed-use development on 1515 Route 10 summarized above, and data provided by SMCMUA, Mott MacDonald's hydraulic analysis shows that a new 8" water main extension should provide adequate fire flow to the new development.

# **EXHIBIT D**

**RESOLUTION NO.**

**A RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF HANOVER CONSENTING TO THE REQUEST OF THE TOWNSHIP OF PARSIPPANY-TROY HILLS FOR SERVICE OUTSIDE THE DISTRICT OF THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY**

**WHEREAS**, The Southeast Morris County Municipal Utilities Authority ("Authority") has received a request from the Township of Parsippany-Troy Hills ("Parsippany") for an extension of service at the Authority's regular retail rates to properties outside the District of the Authority pursuant to an Amended Retail Service Agreement between the Authority and Parsippany dated December 3, 2019, a copy of which is annexed hereto as Exhibit "A" and made part hereof (the Amended Agreement"); and

**WHEREAS**, the proposed service and extension require the approval of the Authority's four creating municipalities and the Morris County Municipal Utilities Authority ("MCMUA"); and

**WHEREAS**, the Authority has agreed to provide the requested service and extension, subject to the approval of the creating municipalities and the MCMUA; and such other approvals as may be required by law, as set forth in an Amended Agreement; and

**WHEREAS**, the Authority has determined based upon a certification of its Chief Engineer that the proposed service and new extension is feasible and can be constructed without substantially impairing the Authority's ability to meet existing and reasonably foreseeable service requirements within the District; and

**WHEREAS**, the Authority has requested that its Creating Municipalities and the Morris County Municipal Utilities Authority give their consent to the proposed new extension, as required by agreements between the Authority and such parties; and

**WHEREAS**, the Authority has also requested approval or ratification of several other properties in Parsippany which are currently served pursuant to a Bulk Sales Agreement dated January 21, 1977 which properties are identified in Exhibit "B" annexed hereto.

**NOW, THEREFORE, BE IT RESOLVED**, by the Township Committee of the Township of Hanover in the County of Morris and State of New Jersey as follows:

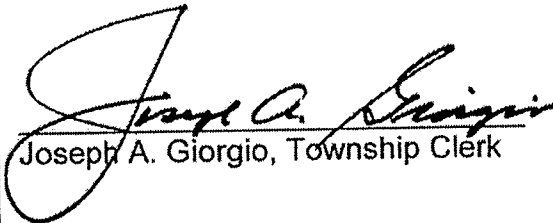
1. That Consent is hereby given to The Southeast Morris County Municipal Utilities Authority to provide retail water and fire protection service to certain properties located outside its District in the Township of Parsippany-Troy Hills as set forth in an Amended Retail Service Agreement between the Authority and Parsippany dated December 3, 2019 and to extend its water system infrastructure as necessary to provide such service.

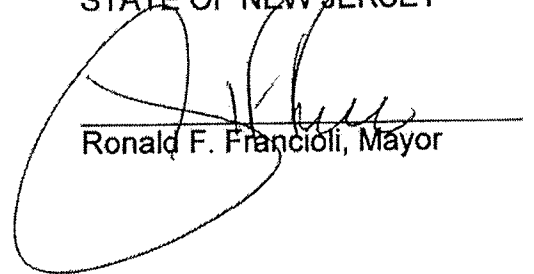
2. That consent is hereby ratified and approved for the Authority to continue to provide service to the additional properties listed on Exhibit "B" for which our prior consents cannot be located.
3. That certified copies of this resolution shall be transmitted to the Executive Director of the Authority and the Municipal Clerks of the Borough of Morris Plains, Township of Morris, Town of Morristown and the Township of Parsippany-Troy Hills for reference and information purposes.

DATED: December 12, 2019

TOWNSHIP COMMITTEE  
TOWNSHIP OF HANOVER  
COUNTY OF MORRIS  
STATE OF NEW JERSEY

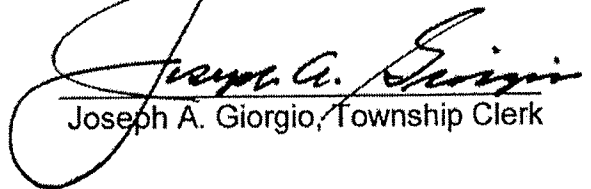
ATTEST:

  
Joseph A. Giorgio, Township Clerk

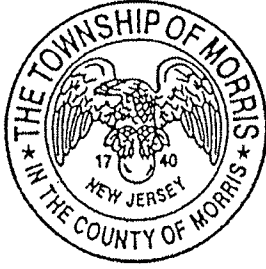
  
Ronald F. Francioli, Mayor

\*\*\*\*\*  
CERTIFICATION

I, Joseph A. Giorgio, Township Clerk of the Township of Hanover, County of Morris and State of New Jersey, do hereby certify the foregoing to be a true copy of a resolution adopted by the Township Committee of said Township on the 12<sup>th</sup> day of December, 2019, at a meeting duly convened, of said Body.

  
Joseph A. Giorgio, Township Clerk

| TOWNSHIP COMMITTEE VOTE | AYE | NAY | ABSTAINED | ABSENT |
|-------------------------|-----|-----|-----------|--------|
| GALLAGHER               | ✓   |     |           |        |
| FERRAMOSCA              | ✓   |     |           |        |
| MIRHALKO                | ✓   |     |           |        |
| CAHILL                  | ✓   |     |           |        |
| FRANCYOLI               | ✓   |     |           |        |
| TOTAL                   | 5   |     |           |        |



CATHLEEN AMELIO, RMC  
TOWNSHIP CLERK  
(973) 326-7430

## TOWNSHIP OF MORRIS

50 WOODLAND AVENUE  
PO BOX 7603  
CONVENT STATION, NEW JERSEY 07961-7603  
FAX NO. (973) 605-8363  
WWW.MORRISTWP.COM

### RESOLUTION NO. 221-19

A RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF MORRIS CONSENTING TO THE REQUEST OF THE TOWNSHIP OF PARSIPPANY-TROY HILLS FOR SERVICE OUTSIDE THE DISTRICT OF THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

WHEREAS, The Southeast Morris County Municipal Utilities Authority ("Authority") has received a request from the Township of Parsippany-Troy Hills ("Parsippany") for an extension of service at the Authority's regular retail rates to properties outside the District of the Authority pursuant to an Amended Retail Service Agreement between the Authority and Parsippany dated December 3, 2019, a copy of which is annexed hereto as Exhibit "A" and made part hereof (the Amended Agreement"); and

WHEREAS, the proposed service and extension require the approval of the Authority's four creating municipalities and the Morris County Municipal Utilities Authority ("MCMUA"); and

WHEREAS, the Authority has agreed to provide the requested service and extension, subject to the approval of the creating municipalities and the MCMUA; and such other approvals as may be required by law, as set forth in an Amended Agreement; and

WHEREAS, the Authority has determined based upon a certification of its Chief Engineer that the proposed service and new extension is feasible and can be constructed without substantially impairing the Authority's ability to meet existing and reasonably foreseeable service requirements within the District; and

WHEREAS, the Authority has requested that its Creating Municipalities and the Morris County Municipal Utilities Authority give their consent to the proposed new extension, as required by agreements between the Authority and such parties; and

WHEREAS, the Authority has also requested approval or ratification of several other properties in Parsippany which are currently served pursuant to a Bulk Sales Agreement dated January 21, 1977 which properties are identified in Exhibit "B" annexed hereto.

NOW, THEREFORE, BE IT RESOLVED that Consent is hereby given to The Southeast Morris County Municipal Utilities Authority to provide retail water and fire protection service to certain properties located outside its District in the Township of Parsippany-Troy Hills as set forth in an Amended Retail Service Agreement between the Authority and Parsippany dated December 3, 2019 and to extend its water system infrastructure as necessary to provide such service.

BE IT FURTHER RESOLVED that consent is hereby ratified and approved for the Authority to continue to provide service to the additional properties listed on Exhibit "B" for which our prior consents cannot be located.

I, Cathleen Amelio, Township Clerk of the Township of Morris, Morris County, New Jersey do hereby certify that the forgoing is a true copy of a resolution adopted by the Governing Body at a duly authorized meeting held on December 18, 2019.

*Cathleen Amelio*

Cathleen Amelio, Township Clerk  
Township of Morris, Morris County  
State of New Jersey

**RESOLUTION NO 2019-**

**RESOLUTION CONSENTING TO THE REQUEST OF THE TOWNSHIP OF  
PARSIPPANY-TROY HILLS FOR SERVICE OUTSIDE THE DISTRICT OF THE  
SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY**

**WHEREAS**, the Southeast Morris County Municipal Utilities Authority ("Authority") has received a request from the Township of Parsippany-Troy Hills ("Parsippany") for an extension of service at the Authority's regular retail rates to properties outside the District of the Authority pursuant to an Amended Retail Service Agreement between the Authority and Parsippany dated December 3, 2019, a copy of which is annexed hereto as Exhibit A and made a part hereof (the "Amended Agreement"); and

**WHEREAS**, the proposed service and extension require the approval of the Authority's four creating municipalities and the Morris County Municipal Utilities Authority ("MCMUA"); and

**WHEREAS**, the Authority has agreed to provide the requested service and extension, subject to the approval of the creating municipalities and the MCMUA and such other approvals as may be required by law, as set forth in the Amended Agreement; and

**WHEREAS**, the Authority has determined based upon a certification of its Chief Engineer that the proposed service and new extension is feasible and can be constructed without substantially impairing the Authority's ability to meet existing and reasonably foreseeable service requirements within the District; and

**WHEREAS**, the Authority has requested that its Creating Municipalities and the MCMUA give their consent to the proposed new extension, as required by agreements between the Authority and such parties; and

**WHEREAS**, the Authority has also requested approval or ratification of other properties in Parsippany which are currently served pursuant to a Bulk Sales Agreement dated January 21, 1977 which properties are identified in Exhibit B annexed hereto.

**NOW, THEREFORE, BE IT RESOLVED**, by the Borough Council of the Borough of Morris Plains, Morris County, New Jersey on this 19<sup>th</sup> day of December, 2019 as follows:

1. That consent is hereby given to the Southeast Morris County Municipal Utilities Authority to provide retail water and fire protection service to certain properties located outside its District in the Township of Parsippany-Troy Hills as set forth in the Amended Retail Service Agreement between the Authority

and Parsippany dated December 3, 2019 and to extend its water infrastructure as necessary to provide such service.

2. That consent is hereby ratified and approved for the Authority to continue to provide service to the additional properties in Parsippany listed on Exhibit B for which prior creating municipal consents cannot be located.

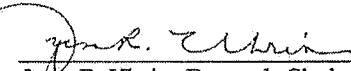
3. That the Borough Clerk transmit certified copies of this Resolution to the Executive Director of the SMCMUA and to the Clerks of the Township of Hanover, Township of Morris, and Town of Morristown.

4. This resolution shall take effect immediately.

\* \* \* \* \*

**CLERK'S CERTIFICATION**

I, JUNE R. UHRIN, Clerk of the Borough of Morris Plains, County of Morris, State of New Jersey, hereby certify that the foregoing is a true and exact copy of a Resolution adopted at a meeting of said Mayor and Council of the Borough of Morris Plains held on the 19<sup>th</sup> day of December, 2019.

  
\_\_\_\_\_  
June R. Uhrin, Borough Clerk

Dated: December 20, 2019

**TOWN OF MORRISTOWN**

**RESOLUTION R-33-2020**

**RESOLUTION CONSENTING TO REQUEST OF THE TOWNSHIP OF PARSIPPANY-TROY HILLS FOR SERVICE OUTSIDE THE DISTRICT OF THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY**

**WHEREAS**, the Southeast Morris County Municipal Utilities Authority (“Authority”) has received a request from the Township of Parsippany-Troy Hills (“Parsippany”) for an extension of service at the Authority’s regular retail rates to properties outside the District of the Authority pursuant to an Amended Retail Service Agreement between the Authority and Parsippany dated December 3, 2019, a copy of which is annexed hereto as Exhibit “A” and made part hereof (the Amended Agreement”); and

**WHEREAS**, the proposed service and extension require the approval of the Authority’s four creating municipalities and the Morris County Municipal Utilities Authority (“MCMUA”); and

**WHEREAS**, the Authority has agreed to provide the requested service and extension, subject to the approval of the creating municipalities and the MCMUA; and such other approvals as may be required by law, as set forth in an Amended Agreement; and

**WHEREAS**, the Authority has determined based upon a certification of its Chief Engineer that the proposed service and new extension is feasible and can be constructed without substantially impairing the Authority’s ability to meet existing and reasonably foreseeable service requirements within the District; and

**WHEREAS**, the Authority has requested that its Creating Municipalities and the Morris County Municipal Utilities Authority give their consent to the proposed new extension, as required by agreements between the Authority and such parties; and

**WHEREAS**, the Authority has also requested approval or ratification of several other properties in Parsippany which are currently served pursuant to a Bulk Sales Agreement dated January 21, 1977 which properties are identified in Exhibit “B” annexed hereto;

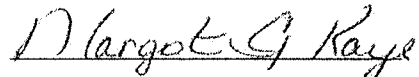
**NOW, THEREFORE, BE IT RESOLVED** by the Town Council of the Town of Morristown, being the governing body thereof, that consent is hereby given to The Southeast Morris County Municipal Utilities Authority to provide retail water and fire protection service to certain properties located outside its District in the Township of Parsippany-Troy Hills as set forth in an Amended Retail Service Agreement between the Authority and Parsippany dated December 3, 2019 and to extend its water system infrastructure as necessary to provide such service; and

**BE IT FURTHER RESOLVED** that consent is hereby ratified and approved for the Authority to continue to provide service to the additional properties listed on Exhibit “B” for which prior consent cannot be located.



I do hereby certify the above to be a true and exact copy of a Resolution duly passed and adopted by the Town Council of the Town of Morristown at the Regular meeting of the Town Council held on January 7, 2020 in the Morristown Council Room, 200 South Street, Morristown, New Jersey, beginning at 7:00 PM, prevailing time.

DATED: January 7, 2020

  
Margot G. Kaye, Town Clerk

# **EXHIBIT E**

**RESOLUTION NO. 20-05**

**RESOLUTION CONSENTING TO REQUEST OF THE TOWNSHIP OF  
PARSIPPANY-TROY HILLS FOR SERVICE OUTSIDE THE DISTRICT OF  
THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY**

**WHEREAS**, The Southeast Morris County Municipal Utilities Authority (“Authority”) has received a request from the Township of Parsippany-Troy Hills (“Parsippany”) for an extension of service at the Authority’s regular retail rates to properties outside the District of the Authority pursuant to an Amended Retail Service Agreement between the Authority and Parsippany dated December 3, 2019, a copy of which is annexed hereto as Exhibit “A” and made part hereof (the Amended Agreement”); and

**WHEREAS**, the proposed service and extension require the approval of the Authority’s four creating municipalities and the Morris County Municipal Utilities Authority (“MCMUA”); and

**WHEREAS**, the Authority has agreed to provide the requested service and extension, subject to the approval of the creating municipalities and the MCMUA; and such other approvals as may be required by law, as set forth in an Amended Agreement; and

**WHEREAS**, the Authority has determined based upon a certification of its Chief Engineer that the proposed service and new extension is feasible and can be constructed without substantially impairing the Authority’s ability to meet existing and reasonably foreseeable service requirements within the District; and

**WHEREAS**, the Authority has requested that its Creating Municipalities and the MCMUA give their consent to the proposed new extension, as required by agreements between the Authority and such parties; and

**WHEREAS**, the Authority has also requested approval or ratification of two residential properties in Parsippany which are currently served pursuant to a Bulk Sales Agreement by and between the Authority and Parsippany dated January 21, 1977 which properties are identified in Exhibit “B” annexed hereto.

**NOW, THEREFORE, BE IT RESOLVED** by the Morris County Municipal Utilities Authority, in the County of Morris, State of New Jersey, on the 7<sup>th</sup> of January 2020 that Consent is hereby given to The Southeast Morris County Municipal Utilities Authority to provide retail water and fire protection service to the properties located outside its District in the Township of Parsippany-Troy Hills as set forth on Revised Schedule A of the Amended Retail Service Agreement between the Authority and Parsippany dated December 3, 2019 and to extend its water system infrastructure as necessary to provide such service.

**BE IT FURTHER RESOLVED** that consent is hereby ratified and approved for the Authority to continue to provide service to the two residential properties listed on Exhibit "B" of this Resolution for which our prior consents cannot be located.

**BE IT FURTHER RESOLVED** that consent granted herein is limited to the properties identified on Revised Schedule A of the Amended Agreement for Sale of Water at Retail Within The Township Of Parsippany-Troy Hills by and between The Southeast Morris County Municipal Utilities Authority and the Township of Parsippany-Troy Hills, dated December 3, 2019 and Exhibit B of this Resolution and consent of the Morris County Municipal Utilities Authority shall be required for the provision of service by Southeast Morris County Municipal Utilities Authority for any other properties in the Township of Parsippany-Troy Hills as may be agreed upon by the Southeast Morris County Municipal Utilities Authority, its creating municipalities and the Township of Parsippany-Troy Hills.

**CERTIFICATION**

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at the Regular Meeting held on January 7, 2020.

MORRIS COUNTY MUNICIPAL  
UTILITIES AUTHORITY

By: William W. Hudzik  
William Hudzik, Chairman

ATTEST:

By: Marilyn Regner  
Marilyn Regner, Secretary

**AMENDED AGREEMENT FOR SALE OF WATER AT RETAIL  
WITHIN THE TOWNSHIP OF PARSIPPANY-TROY HILLS**

**By and Between**

**THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY**

**and**

**THE TOWNSHIP OF PARSIPPANY-TROY HILLS**

THIS AMENDED AGREEMENT made the 3 day of December, 2019,  
by and between THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY, a body  
corporate and politic of the State of New Jersey, having its offices at 19 Saddle Road, Cedar  
Knolls, New Jersey 07927 (hereinafter referred to as "the Authority"), and the TOWNSHIP OF  
PARSIPPANY-TROY HILLS, a municipal corporation of the State of New Jersey, having its offices  
at 1001 Parsippany Boulevard, Parsippany, New Jersey 07054 (hereinafter referred to as "the  
Township").

**WITNESSETH:**

WHEREAS, the Authority and the Township each operate public water systems providing  
potable water and water for fire protection service to customers within their respective service  
areas; and

WHEREAS, the Authority and the Township are parties to a certain Water Supply  
Agreement, dated January 21, 1977 (the "Bulk Sales Agreement"); whereby the Authority  
agreed to sell and the Township agreed to purchase a supply of water at the Authority's bulk  
sales rate as set forth in its Rules and Regulations for Water Service (hereinafter the "Tariff");  
and

WHEREAS, the Township has requested the Authority to provide direct service at retail rates to several properties within the Township and the Township's service area, which properties are identified in Revised Schedule "A" annexed hereto and made part hereof (the "Retail Service Properties"); and to such other properties as may be agreed upon by the Authority and the Township subject to approval of the Authority's Creating Municipalities (as hereinafter defined) and such other approvals as may be required by law or contract; and

WHEREAS, the Authority is a municipal utilities authority formed pursuant to N.J.S.A. 40:14B-1 et seq., (the "Authorities Act") by the Town of Morristown, the Townships of Morris and Hanover, and the Borough of Morris Plains, all in the County of Morris and State of New Jersey (hereinafter collectively the "Creating Municipalities"); and

WHEREAS, the district of the Authority is comprised of the territorial areas of the Creating Municipalities (the "District"); and

WHEREAS, the Township is outside the District of the Authority; and

WHEREAS, the Authority is prohibited by the Authorities Act from selling water at retail in any municipality outside its District "unless the governing body of such municipality shall have adopted a resolution requesting the municipal authority to sell water at retail in such municipality, and the board of public utility commissioners [sic] shall have approved such resolution as necessary and proper for the public convenience." *N.J.S.A. 40:14B-20 (6)*; and

WHEREAS, the Township did on June 25, 2019, adopt such a resolution requesting the Authority to provide service to the Retail Service Properties (the "Service Resolution"); and

WHEREAS, the Authority is willing to sell water at retail to such customers and properties in the Township on the terms and conditions hereinafter set forth; and

WHEREAS, by this Amended Agreement, the Parties desire to amend and supersede a prior agreement dated July 9, 2019, entitled "Agreement For the Sale of Water at Retail within the Township of Parsippany-Troy Hills" and replace it in its entirety by this Amended Agreement;

NOW, THEREFORE, In consideration of the promises and the mutual covenants hereinafter set forth, the parties agree as follows:

1. The Authority agrees to sell water to the Retail Service Properties; such service to be provided at the Authority's regular retail rates applicable to customers within the District as set forth in the Authority's Tariff, which rates may be modified from time to time in the manner provided by law ("Regular Retail Rates"). The Authority also agrees to provide such service to other properties in the Township as may be agreed upon by the Authority and the Township subject, however, to the prior approval of the Creating Municipalities and such other approvals as may be required by law or contract.
2. The Authority further agrees that Regular Retail Rates charged to the Retail Service Properties customers and other retail customers within the Township pursuant to this Amended Agreement shall be the same as the rates charged to comparable customers and classes of customers within the Authority's District. In the event the Authority is required by any law, or court or administrative order, to serve any of the Retail Service Properties or other properties hereafter served pursuant to this Amended Agreement at rates other than the rates charged to comparable customers and classes of customers within its District, the Authority shall have the right, but not the obligation, to terminate this Amended Agreement on written notice to the Township; and upon such termination such properties shall revert to being served by the Township pursuant to the Bulk Sales Agreement.
3. This Amended Agreement shall be subject to and contingent upon (i) approval of the Service Resolution by the New Jersey Board of Public Utilities (hereinafter "BPU") as necessary and proper for the public convenience pursuant to the requirements of N.J.S.A. 40:14B-20(6); and (ii) to the extent required by law or contract, the consents of the Authority's Creating Municipalities and the Morris County Municipal Utilities Authority (the "MCMUA"). (The approvals referred to in items (i) and (ii) above are hereinafter referred to as the "Approvals".)

4. The Township agrees to make prompt application to the New Jersey Board of Public Utilities ("BPU") for approval of the Service Resolution pursuant to N.J.S.A. 40:14B-20(6), such application to be made at the Township's sole expense. The Authority agrees to cooperate, in all reasonable respects, toward obtaining such approval and shall consent to the Township's application at the request of the Township.
5. The Authority agrees, to the extent required and applicable, to make prompt application to the Creating Municipalities and the MCMUA, such application to be made at the Authority's sole expense. The Township agrees to cooperate, in all reasonable respects, toward obtaining such approvals and shall consent to the Authority's applications at the request of the Authority.
6. In the event any of the required Approvals shall be denied; or not granted within one (1) year from the date of this Amended Agreement (or such later date as may be agreed upon in writing by the parties); or shall contain any condition or requirement not acceptable to either the Authority or the Township including, without limitation, any condition or requirement that customers within the Township be served at rates other than the Authority's Regular Retail Rates as defined in Section 1 of this Agreement, then, in any such event this Amended Agreement shall terminate and neither party shall be under any further obligation to the other with respect to the provisions hereof.
7. All sales of water pursuant to this Agreement shall be subject in all respect to the provisions of the Authority's Tariff as presently adopted and as may be supplemented and modified from time to time in accordance with law.



8. Except as expressly provided in the Bulk Sales Agreement or this Amended Agreement, the Authority shall not be obligated to change, extend or enlarge its existing water mains or other water supply facilities located in the Township or to provide water service outside of its District without the Authority's prior written consent, the consent of the Creating Municipalities and any other consents or approvals which may be required by law or contract.
9. The Township agrees that in the event a water emergency is declared by the Authority, the Township shall issue a similar declaration within its municipal limits, applicable to customers of the Authority, and promulgate such conservation measures as shall be necessary to reduce water consumption by such customers to the same extent as such conservation measures are imposed within the Authority's District.
10. This Amended Agreement shall supersede, cancel and replace a prior Agreement of the parties dated July 9, 2019 entitled "Agreement For Sale of Water at Retail within the Township of Parsippany Troy Hills." This Amended Agreement shall also supplement but not amend (except as expressly provided in Section 11 of this Amended Agreement) the provisions of the Bulk Sales Agreement, which agreement shall continue in full force and effect as to the sale of water by the Authority to the Township at the Authority's bulk service rates for use by the Township as therein provided. Termination of this Amended Agreement for failure of the Approvals or for any other reason shall not terminate or affect the continued validity, rights and obligations of the parties under the Bulk Sales Agreement. Similarly, termination of the Bulk Sales Agreement for any reason shall not terminate or affect the continued validity, rights and obligation of the parties under this Amended Agreement.

11. The Authority and the Township agree that the volume of water sold to customers at the Retail Service Properties shall count as purchased under the Bulk Sales Agreement for the purpose of determining whether the minimum purchase requirement set forth in Article 1, Paragraph B of the Bulk Sales Agreement has been met by the Township.


IN WITNESS WHEREOF, the parties have caused this Amended Agreement to be duly executed as of the day and year first above written.


WITNESS OR ATTEST:

THE SOUTHEAST MORRIS COUNTY  
MUNICIPAL UTILITIES AUTHORITY

  
\_\_\_\_\_  
Alexis Bozza, Assistant Secretary

By:   
\_\_\_\_\_  
Dennis Baldassari, Chairman

  
\_\_\_\_\_  
Khaled Madin, Clerk

TOWNSHIP OF PARSIPPANY-TROY HILLS  
By:   
\_\_\_\_\_  
Michael J. Soriano, Mayor

**Revised Schedule A**

**Properties within the Township of Parsippany-Troy Hills to Receive Retail Water Service from  
The Southeast Morris County Municipal Utilities Authority**

| <b>ADDRESS</b>                  | <b>BLOCK AND LOT</b>          | <b>COMMENTS</b>  |
|---------------------------------|-------------------------------|--|
| 500 Hanover Avenue              | Block 7, Lot 2                | Police and Fire Academy  |
| 1515 Route 10 East <sup>1</sup> | Block 200, Lots 1.02 and 1.03 | Mixed Use; Residential and Commercial  |
| 1639 Route 10 East              | Block 200, Lot 1.01           | Delta Building   |
| 1719 Route 10 East              | Block 200, Lot 1              | Octagon Business Center, Starbucks,<br>Proposed Hotel and Restaurant           |
| 169 Johnson Road                | Block 200, Lot 8              | Weichert Building  |
| 59 Koch Avenue                  | -                             | Greystone Park (Emergency Supply and<br>Service to Wastewater Treatment Plant) |

<sup>1</sup> Block 200, Lot 1.03 will become part of the Township upon completion of its annexation from Hanover Township as part of a land-swap with Hanover Township which currently is in process. As per the Service Resolution, inclusion of Block 200, Lot 1.03 as one of the Retail Service Properties to be served by the Authority within the Township is contingent upon completion of the annexation process.

Note: 1900 Route 10 East, Block 176, Lot 8 (Zinburger) shown on the Original Schedule A, attached to the original Retail Service Agreement dated July 9, 2019, has been deleted since the parties have agreed that such property will be disconnected from the Authority's water system and connected to the Township's water system on or before December 31, 2020. Pending such transfer, this property will continue to be served pursuant to the Bulk Sales Agreement of the parties dated January 21, 1977.

EXHIBIT "B"

PROPERTIES SERVED IN PARSIPPANY FOR WHICH  
NO CREATING MUNICIPAL CONSENT CAN BE LOCATED

| <u>Property</u>        | <u>Use</u>  |
|------------------------|-------------|
| 1380 S. Beverwyck Road | Residential |
| 11 Troy Road           | Residential |