

MUA Sale Update

Sept 1, 2017

- MUA Board of Commissioners has long-since reported that:
 - 1) The 26 water facilities and 6 sewer treatment plants lack sustainability,
 - 2) Consolidation is not feasible for the MUA to achieve, as currently structured.
 - 3) Over the past five years, the current Board of Commissioners, along with our operations professionals, have revitalized the systems to a saleable condition.
 - 4) Maximum saleable condition does not meet current environmental standards.

. A brief history of the MUA efforts to sell:

With the concurrence of the proper local and State Authorities, the MUA adopted a resolution to begin a Request for Proposal in November of 2015. An enormous amount of time and effort had been put in by the volunteer members of the MUA Board to effectuate a sale. Preparation of the Request for Proposals, vetting of suitable companies, detailed review of the potential buyers' proposals, selection of a successful bidder and subsequent contract negotiations were all complete.

- The MUA's deal provided for:
 - 1) A capital improvement plan for all systems with a priority for emergent conditions.
 - 2) Payoff of all MUA debt in its entirety.
 - 3) Stability for current employee throughout the sale process and beyond.
 - 4) A net profit.
 - 5) Purchase of all systems by an entity with the experience necessary to bring all facilities into current compliance standards and maintaining same.
 - 6) Rate Stabilization Schedule

For a year and a half, the Commissioners of the MUA worked on this project. Public Contract Law was followed. Just as a phenomenal contract was about to be signed, the MUA and the Township of West Milford received a stop-order from the Department of Community Affairs. The DCA directed the MUA to sell, only in a joint-venture, with the Township of West Milford, following Municipal Law. This was quite a blow to the Users, as the Municipal Law requires a Referendum on the Ballot in November.

In order for the signed contract to be finalized the public will need to vote on the general question at the November 7th election. Final steps will be made to secure a contract with Suez at the council meeting on Wednesday September 6th at 6:30pm. Suez representatives will be present at the council meeting to introduce themselves to the community and review their plans for the MUA's facilities in the future. All residents are encouraged to attend the council meeting so that they can have the most up to date information about the future of the systems. Should the Council approve to move forward with the contract that evening, copies of said contract will be made available to the public for review. We encourage not only users of the system but all residents to attend this meeting and ask any questions of the potential buyer. This will be the first of many public meetings however the most important as a contract could be signed that evening. We encourage all residents but especially our users to be present at the September 6th council meeting to be further educated about the future of the MUA.