

What's Going On

Issue #18 — Sale of the MUA- Continuation

May 15, 2017

In our last issue of this newsletter (June, 2016) we reported that the MUA Board of Commissioners had voted to issue a Request for Proposals (RFP) for the sale of the MUA's water and wastewater systems ("Systems"). Since then the RFP was developed, issued and proposals were received from qualified companies. At the same time, our attorneys advised NJ state officials of the Board's intention to sell the MUA's Systems and a copy of the RFP describing the procurement process was provided to attorneys for the State..

After the proposals were evaluated, a contract for the sale of the MUA was negotiated and was close to being signed. However, just prior to the signing, the State advised the MUA and the Township that, despite the fact that the Township and the MUA are separate legal entities, only the Township is legally permitted to sell the MUA's Systems. This last minute guidance was unexpected.

At that point, the MUA met with the Mayor and Township Attorney to request their assistance in completing the process. Last week, as was recently reported in various news outlets, the Town Council voted to conduct their own RFP (largely based on the work we had already done) and complete the sale of the MUA's Systems. At some point prior to the sale there will be a public hearing and in November there will be a referendum item on the election ballot as well so all residents can vote on the matter.

The MUA Board of Commissioners believes that selling the MUA's Systems to a company with better access to capital (for expensive facility improvements) and technical expertise (to meet the increasingly stringent DEP requirements) is the right step to take for you, the customers. Despite the best efforts of the MUA staff and its contracted professionals, it is increasingly difficult to overcome the challenges of a high debt load, aging facilities and a relatively small customer base.

We have committed to cooperate and support the Township's efforts to sell the MUA's Systems and we hope for a successful outcome.

West Milford MUA Board of Commissioners & Staff