ASSEMBLY, No. 4243

STATE OF NEW JERSEY

218th LEGISLATURE

INTRODUCED JUNE 25, 2018

Sponsored by:

Assemblyman WAYNE P. DEANGELO
District 14 (Mercer and Middlesex)
Assemblyman DANIEL R. BENSON
District 14 (Mercer and Middlesex)

SYNOPSIS

Establishes Mercer Regional Water Services Commission as oversight body over certain Trenton Water Works operations.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 8/28/2018)

1 AN ACT establishing the Mercer Regional Water Services 2 Commission and supplementing Title 40A of the New Jersey 3 Statutes.

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BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

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- 1. The Legislature finds and declares that:
- a. Trenton Water Works is a public utility that is responsible for providing a safe, clean, and adequate water supply to certain residents and businesses located in Ewing Township, Hamilton Township, Hopewell Township, Lawrence Township, and the City of Trenton in Mercer County.
 - b. Although five municipalities and approximately a quarter millions individuals are serviced by Trenton Water Works, the public utility is owned, operated, and controlled by one municipal government.
- c. The New Jersey Department of Environmental Protection has, on multiple occasions, cited Trenton Water Works for numerous violations related to technical, operational, and managerial deficiencies.
- d. Despite administrative consent orders mandating that Trenton Water Works corrective action related to systems operations, emergency response plans, adequate staffing, and mandated progress reports, violations and complaints related to water and service quality issues have persisted.
 - e. The continuing problems and inadequate oversight of Trenton Water Works has become a public health concern that necessitates legislative action to ensure the welfare of the customers of Trenton Water Works and the citizens of this State.

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- 2. a. There is established a Mercer Regional Water Services Commission. The purpose of the commission is to oversee ratesetting, service quality, and infrastructure operations of Trenton Water Works, and to facilitate efficient and effective remediation of problems arising therefrom.
- 37 b. The commission shall consist of 17 voting members as 38 follows:
- (1) a member appointed by the County Executive of Mercer County, upon the advice and consent of the Mercer County Board of Chosen Freeholders as expressed by the affirmative votes of a majority of a quorum of members thereof, who shall serve as chairperson of the commission; provided, however, that this member shall:
- 45 (a) not be a currently-serving elected official of any municipal, 46 county, or State governmental body;
 - (b) not be an employee of Trenton Water Works;

1 (c) not be an employee of any county or municipal government 2 serviced by Trenton Water Works;

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- (d) have professional experience in engineering, public water or utility systems, or local, county, or state government services; and
- 5 (e) be a resident of Ewing Township, Hamilton Township, 6 Hopewell Township, Lawrence Township, or the City of Trenton.
 - (2) the Mayor of Ewing Township, ex officio, or the mayor's designee;
 - (3) a member of the Ewing Township Council, selected by a majority vote of a quorum of the council members;
 - (4) the Mayor of Hamilton Township, ex officio, or the mayor's designee;
 - (5) a member of the Hamilton Township Council, selected by a majority vote of a quorum of the council members;
- (6) the Mayor of Hopewell Township, ex officio, or the mayor's 16 designee;
- 17 (7) a member of the Hopewell Township Committee, selected by 18 a majority vote of a quorum of the committee members;
 - (8) the Mayor of Lawrence Township, ex officio, or the mayor's designee;
 - (9) a member of the Lawrence Township Council, selected by a majority vote of a quorum of the council members;
 - (10) the Mayor of the City of Trenton, ex officio, or the mayor's designee;
 - (11) a member of the Trenton City Council, selected by a majority vote of a quorum of the council members;
 - (12) the Commissioner of Environmental Protection, ex officio, or the commissioner's designee;
 - (13) the Commissioner of Community Affairs, ex officio, or the commissioner's designee;
 - (14) the President of the Board of Public Utilities, ex officio, or the president's designee; and
 - (15) three public members, appointed by the County Executive of Mercer County, upon the advice and consent of the Mercer County Board of Chosen Freeholders as expressed by the affirmative votes of a majority of a quorum thereof; provided, however, that each public member shall:
 - (a) not be a currently-serving elected official of any municipal, county, or State governmental body;
 - (b) not be an employee of Trenton Water Works;
 - (c) not be an employee of any county or municipal government serviced by Trenton Water Works;
 - (d) have professional experience in engineering, public water or utility systems, or local, county, or state government services; and
- 45 (e) be a resident of Ewing Township, Hamilton Township, 46 Hopewell Township, Lawrence Township, or the City of Trenton.
- c. All appointments to the commission shall be made no later 47 48 than 45 days following the date of enactment of P.L.

1 c. (C.) (pending before the Legislature as this bill). The 2 commission shall organize as soon as practicable, but no later than 3 45 days following the date of enactment of P.L. 4 (pending before the Legislature as this bill). At the initial 5 organizational meeting, the commission shall select by vote of nine 6 members a vice chairperson, who shall serve as chair of the 7 commission in the chairperson's absence, and a secretary, from 8 among the commission's members. Annually thereafter, the 9 commission shall select by a vote of nine members a vice 10 chairperson and a secretary from among the commission's 11 members.

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- d. If a commission member, who is appointed pursuant to paragraph (3), (5), (7), (9), or (11) of subsection b. of this section, vacates his or her position on that municipal body, then that member's replacement on the commission shall be selected as follows: the members of that municipal body shall select from its members a replacement, by majority vote of a quorum and within 30 days of official vacancy.
- e. The commission shall meet at the call of the chairperson or upon agreement of nine members of the commission. Meetings shall be held no less than once every 90 days, and additional meetings shall be convened as necessary for the commission to discharge its duties, at any location in Mercer County. The meetings shall be held at such times deemed appropriate for the commission to fulfill its charge, with due consideration for the opportunity to maximize public attendance and participation.
- Public notice shall be given by publication in the official newspaper, if there be one, or in a newspaper of general circulation, for Ewing Township, Hamilton Township, Hopewell Township, Lawrence Township, and the City of Trenton, at least five days prior to the date of the meeting. A municipality may also publish notice on the municipality's internet website. "Public notice" includes, but is not limited to, the date, time, and location of the meeting.
- f. Nine members of the commission shall constitute a quorum for the transaction of official business. Action may be taken and resolutions adopted by the commission at a meeting by the affirmative vote of nine members of the commission.
- g. Mercer County shall, upon request of the commission, provide legal, stenographic, technical, clerical, and other staff and resource assistance to the commission.
- h. Commission meetings shall be open to the public; provided, however, that, by affirmative vote of twelve members, the commission may conduct a part of a meeting in closed session if the agenda item concerns a personnel matter.
- i. A member of the commission shall not be an employee of Trenton Water Works or the Department of Public Works of the City of Trenton. In the case of an individual who, pursuant to this

section, is designated as an ex officio member of the commission but is employed by Trenton Water Works or the Department of Public Works of the City of Trenton, then a replacement shall be appointed in the place of that member pursuant to this section.

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- 6 3. a. Notwithstanding any provision of law to the contrary, 7 upon the adoption of a resolution or ordinance by the Trenton City Council that concerns Trenton Water Works, the Trenton City 8 9 Council shall promptly transmit a copy of the resolution or 10 ordinance to the members of the Mercer Regional Water Services 11 Commission. Unless otherwise provided by P.L. , c. (C. 12 (pending before the Legislature as this bill), the ordinance or resolution shall not take effect without first receiving the review 13 and approval of the commission. If the commission does not issue 14 15 an approval or disapproval within 90 calendar days of transmittal by 16 the Trenton City Council, the ordinance or resolution shall be 17 deemed approved.
 - b. Notwithstanding any provision of law to the contrary, approval of the commission shall be required for any proposal concerning Trenton Water Works to:
 - (1) enter into, renew, or amend a contract, which directly concerns Trenton Water Works, that is necessary and material to the operation of Trenton Water Works, and which concerns consideration or value greater than \$10,000;
 - (2) fix and collect rates, fees, rents, and other charges, pursuant to "County and Municipal Water Supply Act," N.J.S.40A:31-1 et seq.; and
 - (3) hire, suspend, or terminate the employment of managerial or executive personnel of Trenton Water Works; provided, however, that such action may be taken without commission approval on an interim basis for a period of up to 90 days, pending the convening of the commission.
 - c. Notwithstanding any provision of law to the contrary, the commission shall, at its discretion, hold hearings, take testimony, and refer matters to the appropriate State department or agency on any public or internal complaint regarding Trenton Water Works involving:
 - (1) water and service quality;
 - (2) infrastructure and reliability;
- 40 (3) rates and fees, if the amount in dispute is greater than \$1,000; 41 and
 - (4) misfeasance, malfeasance, or nonfeasance, of an employee of Trenton Water Works, or other material issues related to appropriate staffing and training; provided, however, that nothing in this section shall preclude or limit any other civil or criminal action or remedy available by law.
- d. Notwithstanding any provision of law to the contrary, the commission shall, with regard to Trenton Water Works, monitor:

- 1 (1) compliance with the "Water Quality Accountability Act,"
 2 P.L.2017, c.133 (C.58:31-1 et seq.) and the "Safe Drinking Water
 3 Act," P.L.1977, c.224 (C.58:12A-1 et seq.), and notify the
 4 Department of Environmental Protection of concerns regarding
 5 violations thereof;
 - (2) adherence to an adequate emergency response plan, including but not limited to, providing timely notification to customers served by Trenton Water Works of water quality and service problems;
 - (3) progress reports required to be prepared by Trenton Water Works, pursuant to law, regulation, court or administrative order, or consent agreement;
- 12 (4) hiring, adequate staffing, and proper training of personnel; 13 and
 - (5) proper payment of fines and penalties.
 - e. By affirmative vote of twelve members, the committee may waive or deem approved any provision of oversight responsibility mandated by this section, for a period of up to 365 days. By affirmative vote of twelve members, the committee may continue to waive or deem approved any provision of oversight responsibility mandated by this section for separate periods of up to 365 days.
 - f. For purposes of this section, "local unit" and "water supply facilities" shall have the same meanings as those terms are defined in N.J.S.40A:31-3.

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- 25 4. a. On or before the first day of the 60th month next 26 following the date of enactment of this act, the Mercer Regional Water Services Commission shall prepare and file with the 27 Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-28 29 19.1), with the Legislature, a status report concerning Trenton 30 Water Works. The report shall analyze, with particular emphasis on 31 improvements and problems during the prior 60 months: the state of 32 water quality, service quality, rate-setting, and infrastructure; 33 information concerning any adopted asset management program and 34 emergency response plan; adequate staffing and training for 35 personnel; any federal, State, or local violations or citations 36 received in the prior 60 months, and the measures taken to 37 remediate the issues; the efficacy of the Mercer Regional Water Services Commission as an oversight body, and recommendations 38 39 to broaden or limit the scope of the commission's responsibilities; 40 and any other relevant information concerning Trenton Water 41 Works deemed appropriate by the commission. The report shall be 42 adopted by the affirmative votes of nine members of the 43 commission.
 - b. Upon receipt of the report, the Legislature may adopt a joint resolution that dissolves the commission. If a joint resolution dissolving the commission is adopted by the Legislature and approved by the Governor, the commission shall be dissolved and its responsibilities pursuant to this act shall end; provided, however,

A4243 DEANGELO, BENSON

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that the commission may take administrative action as may be necessary to complete the work of the commission.

c. If the Legislature does not adopt, or the Governor does not approve, a joint resolution that dissolves the commission, then the commission shall continue to prepare and file reports with the Legislature and the Governor on a bi-annual basis, pursuant to this section.

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5. This act shall take effect immediately.

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STATEMENT

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This bill establishes the Mercer Regional Water Services Commission (the "commission"). The purpose of the commission is to oversee rate-setting, service quality, and infrastructure operations of Trenton Water Works, as well as to receive information about and facilitate the resolution of problems arising from the facility and its operations.

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Composition and Administration

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The commission is comprised of 17 voting members: (1) a chairperson, appointed by the County Executive of Mercer County, upon the advice and consent of the Mercer County Board of Chosen Freeholders, and who is not a currently-serving elected official, not a Trenton Water Works employee, not an employee of a county or municipality serviced by Trenton Water Works, has professional experience in engineering, public water or utility systems, or local, county, or state government services, and is a resident of a municipality serviced by Trenton Water Works; (2) the mayors of Ewing Township, Hamilton Township, Hopewell Township, Lawrence Township, and Trenton, or their designees; (3) one representative from the township (or city) council (or committee) the aforementioned municipalities, as selected by a majority vote of the council (or committee) members; (4) the Commissioner of Environmental Protection, or a designee; (5) the Commissioner of Community Affairs, or a designee; (6) the President of the Board of Public Utilities, or a designee; and (7) three public members, appointed by the County Executive of Mercer County, upon the advice and consent of the Mercer County Board of Chosen Freeholders, and who are not currently-serving elected officials, not Trenton Water Works employees, not employees of a municipality serviced by Trenton Water Works, have professional experience in engineering, public water or utility systems, or local, county, or state government services, and are residents of a municipality serviced by Trenton Water Works. Members of the commission are

prohibited from being employed by Trenton Water Works or the 2 Trenton Department of Public Works.

Meetings may be called by the chairperson or by agreement of nine members of the commission, and may be held at any location in Mercer County. The first appointments to the commission, and the initial organization meeting, are required to be conducted no later than 45 days after the date the bill is enacted. commission, however, is required to meet at least once every 90 Additional meetings may be convened as necessary. days. Meetings should be scheduled so as to afford maximum opportunity for public attendance and participation. Notice of the meetings is required to be published in newspapers circulating in each of the aforementioned municipalities and may be posted on the municipalities' website. Mercer County is to provide staffing for the committee.

The presence of nine members of the commission constitutes a quorum for the transaction of official business. Except as otherwise provided below, committee action may be taken and resolutions may be adopted upon the affirmative vote of nine commission members. Committee meetings are open to the public. However, by a supermajority vote of 12 members, the commission may conduct a part of a meeting in closed session if the matter discussed concerns a personnel issue.

At the first organizational meeting, the commission selects a vice chairperson, who shall serve as chair of the commission in the chairperson's absence, and a secretary, from among commission's members. Every year, the commission selects a new, or reappoints an existing, vice chairperson and a secretary from among the commission's members.

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Oversight Responsibilities

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Any ordinance or resolution that is adopted by the Trenton City Council and concerns Trenton Water Works is required to be referred to the Mercer Regional Water Services Commission for ratification. The ordinance remains inoperative until receiving the review and approval of the commission. If the commission does not approve or disapprove the ordinance or resolution within 90 calendar days of transmittal by the Trenton City Council, the ordinance or resolution is deemed approved.

Moreover, for any proposal concerning Trenton Water Works, the approval of the commission is necessary to: (1) enter into a contract, to which Trenton Water Works is a party, that is necessary and material to the operation of Trenton Water Works, that concern amounts greater than \$10,000; (2) fix and collect rates, fees, rents, and other charges; and (4) hire, suspend, or terminate the employment of managerial or executive personnel of Trenton Water

Works, though this type of action may be taken without commission approval on an interim basis for a period of up to 90 days.

Additionally, the commission, in its discretion, may hold hearings, take testimony, and refer matters to the appropriate State department or agency, on any public or internal complaint regarding Trenton Water Works and: (1) water and service quality; (2) infrastructure and reliability; (3) rates and fees, if the amount in dispute is greater than \$1,000; and (4) issues related to improper or illegal actions by an employee of Trenton Water Works, including concerns over appropriate staffing and training.

Finally, the commission is required to monitor Trenton Water Works's: (1) compliance with the "Water Quality Accountability Act" and the "Safe Drinking Water Act," including notifying the Department of Environmental Protection of concerns regarding violations; (2) adherence to an adequate emergency response plan, including providing timely notification to customers served by Trenton Water Works of water quality and service problems; (3) progress reports required to be prepared by Trenton Water Works, pursuant to law, regulation, court or administrative order, or consent agreement; (4) hiring, staffing, and training of personnel; and (5) proper payment of fines and penalties.

However, by a supermajority vote of twelve members, the committee may waive or deem approved any of the aforementioned oversight responsibilities, for a period of up to 365 days. Thereafter, by a supermajority vote of twelve members, the committee may continue to waive or deem approved the same.

Report and Dissolution

No later than the first day of the 60th month (approximately five years) after enactment of this bill, the commission is required to prepare and file a status report with the Governor and Legislature. The report analyzes, with emphasis on the prior five years: the state of water quality, service quality, rate-setting, and infrastructure; information concerning any adopted asset management program and emergency response plan; adequate staffing and training for personnel; any federal, State, or local violations or citations received in the prior five years, and the measures taken to remediate the issues; the efficacy of the Mercer Regional Water Services Commission as an oversight body, and recommendations to broaden or limit the scope of the commission's responsibilities; and any other relevant information concerning Trenton Water Works deemed appropriate by the commission. The report is adopted by the affirmative votes of nine members of the commission.

Upon receipt and review of the report, the Legislature may adopt a joint resolution that dissolves the commission, ending its existence as a body and terminating its oversight responsibilities. However, if the Legislature does not adopt, or the Governor does

A4243 DEANGELO, BENSON

- 1 not approve, a joint resolution that dissolves the commission, then
- 2 the commission is required to continue to prepare and file reports
- 3 with the Legislature and the Governor biannually until it is
- 4 dissolved.