



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

WATER

IN THE MATTER OF THE APPLICATION FOR) ORDER APPROVING AMENDMENTS
APPROVAL OF MODIFICATIONS TO THE) TO PUBLIC – PRIVATE CONTRACT
MANAGEMENT SERVICES AGREEMENT BETWEEN)
THE CITY OF CAMDEN AND UNITED WATER)
ENVIRONMENTAL SERVICES, INC.) BPU DOCKET NO. WM12050457

Parties of Record:

Michael J. Watson, Esq., Brown & Connery, LLP, on behalf of the City of Camden
Joseph Tripodi, Esq., Wolff & Samson PC, on behalf of United Water Environmental Services, Inc.
Stefanie Brand, Esq., Division of Ratepayer Advocate

BY THE BOARD:

On May 22, 2012, pursuant to the "New Jersey Water Supply Public-Private Contracting Act" (the "Water Act") N.J.S.A. 58:26-19 et seq. and N.J.S.A. 58:27-19, et seq., Petitioner, the City of Camden (the "City"), respectfully submitted an application for approval of modifications to an agreement entitled "Management Services Agreement for the Operation, Management, Maintenance and Repair of the City of Camden's Water and Wastewater Collection Systems" (the "Management Services Agreement") between the City and Camden Water L.L.C., predecessor in interest to United Water Environmental Services, Inc. (the "Operator" or "UWESI"). The City makes this application in accordance with N.J.S.A. 58:26-25(b) and N.J.S.A. 58:27-24(f), to the New Jersey Board of Public Utilities ("Board"), the New Jersey Department of Community Affairs, Division of Local Government Services, Local Finance Board ("Local Finance Board"), and the New Jersey Department of Environmental Protection (collectively, the "Agencies").¹

The Water Act authorizes public entities to enter into contracts with private firms for the provision of water supply services. Water supply services, as defined by the Water Act, mean the financing, designing, construction, improvement, operation, maintenance, administration or any combination thereof, of a water supply facility (i.e., water system). Public-Private Contracts for water supply services must be submitted to the Board for review and approval. However, N.J.S.A. 58:26-25, confines the scope of the Board's review of such contracts to four specific

¹ Pursuant to N.J.A.C. 14:1-5.2(a) (2), the City filed a separate application with the Local Finance Board.

areas. In its review of the contract the Board shall apply the following criteria in determining whether to approve the contract:

1. The private firm entering into the contract has the financial capacity and technical and administrative expertise to ensure continuity of service over the term of the contract and that the standards and requirements contained in the application documents concerning financial, technical and administrative capacity of the private firm are necessary and sufficient to protect the public interest.
2. The terms of the contract are not unreasonable. In determining whether the terms of the contract are not unreasonable, the Board shall review the fees and charges to be charged or assessed under the contract to determine that they are reasonable to the public entity, taking into consideration all of the obligations undertaken by the private firm and all benefits obtained by the public entity. In making this determination, the Board shall not use the traditional rate base/rate of return methodology.
3. The franchised customers of a public utility participating in a contract are protected from the risks of the proposed contract and that they are not subsidizing the contract. If a private firm is not a public utility, the Board shall ensure that under the terms of the proposed contract the users of water outside of the jurisdiction or service area that will receive water supply services under the contract are also protected from the risks of the contract and that water users outside the jurisdiction or service area are not subsidizing the contract through increased charges, rates or fees for the supply of water.
4. The contract contains the provisions required by paragraph (1) (2) and (6) of subsection e. of section 5 of P.L. 1995, c 101 (C 58:26-23).

The Water Act further states that once the Board approves a proposed contract, the jurisdiction of the Board terminates until or unless the contract is amended to change the formula or other basis of determining charges.

The Courts have held that the Legislature has not conferred any jurisdiction on the Board to regulate water utilities operated by municipalities, as distinct from those privately owned, except in certain circumstances where such municipalities undertake to service residents in other municipalities. See Petition of South Lakewood Water Co., (61 N.J. 230 (1972)). Pursuant to N.J.S.A. 40A:31-23 (d) (1) the Board does not have regulatory oversight with respect to the setting of rates if the municipality services 1,000 customers or less outside its jurisdictional boundaries. In addition, it has been held that the sovereign powers of a municipality should not be subordinated to Board jurisdiction "by inference" or "lightly implied." Jersey City Incinerator Authority v. Dept. of Pub. Util., 146 N.J. Super. 243, 255-56 (App. Div. 1976). Rather, a grant of such power "must be firmly anchored in some clear legislative delegation of jurisdiction." Id. at 256. Furthermore, the Board's own enabling statute expressly limits the Board's jurisdiction over contracts of the type under review here to the parameters of the Public-Private Contracting Act. N.J.S.A. 48:2-13 states:

Except as provided in [N.J.S.A. 58:26-25] the Board shall have no regulatory authority over the parties to a contract negotiated between a public entity and a private firm pursuant to [N.J.S.A. 58:26-19] in connection with the performance of their respective obligations thereunder. Nothing contained in this title shall extend the powers of the Board to include any supervision and regulation of, or jurisdiction and control over, any

public-private contract for the provision of water supply services established pursuant to [N.J.S.A. 58:28-19].

In accord with this legal mandate, the Board has limited the scope of its review to the four criteria set forth above and, for reasons discussed below, concludes that the contract meets the applicable criteria. Because the Legislature has carefully circumscribed our authority over the rates to be charged to end-use customers and other issues, the Board does not make any determination with respect to issues related to the ultimate rates to be charged by Camden to its residents for services.

BACKGROUND/PROCEDURAL HISTORY

The City's water treatment system and wastewater collection system (the "Systems") serve approximately 70,000 customers who are individuals and businesses in the City.

United Water Environmental Services, Inc. (UWESI) provides full process redesign, reengineering and facilities operations and maintenance for water and wastewater and related facilities to municipal and other government clients in the United States. UWESI also provides construction management and training and advisory services. UWESI is a wholly owned subsidiary of United Water, Inc. United Water, Inc. is a wholly owned subsidiary of Suez Environmental North America, Inc., which is itself a wholly owned subsidiary of Suez Environmental SA, a French societe` anonyme. Suez Environmental is controlled by GDF Suez SA, also a French societe` anonyme.

The main office for UWESI is 200 Old Hook Road, Harrington Park, NJ, 07640. On December 31, 2009, several related entities merged into UWESI allowing the company to streamline operations and create a flagship contract services corporation. UWESI was organized in 2009, although its predecessor companies have provided contract operations and maintenance services for over 40 years.

On February 24, 1998, the City published a legal advertisement regarding its intent to enter into a public-private contract for the operation and management of the Systems, pursuant to N.J.S.A. § 58:26-19, et seq., and N.J.S.A. § 58:27-19, et seq. On June 1, 1998, the City received multiple responses to its Request for Qualified Proposals for the operation and management of the Systems. After issuing its Request for Qualified Proposals, the City received multiple proposals on June 1, 1998. Of the proposals received, the City chose to award its contract for operation and management of the Systems to Camden Water, L.L.C., a subsidiary of U.S. Water, LLC, which was a predecessor of the Operator. In accordance with statutory procedure, the then-proposed public-private contract between the City and the Operator was submitted to the under Docket No. WE98080626, and was approved by the Board on November 23, 1998.

On December 20, 1998, the City and Camden Water, L.L.C. entered into the Management Services Agreement. The term of the Management Services Agreement was from January 31, 1999 to January 31, 2019. Under the Management Services Agreement, the City retains ownership of the Systems and pays a monthly base fee and additional monthly pass-through charges for the operation, management, and maintenance of the Systems. The yearly aggregate of the monthly base fees is referred to as the "Annual Service Fee." The Annual

Service Fee is subject to annual inflation increases, and in 2011, the Annual Service Fee due to the Operator under the Management Services Agreement was approximately \$10,150,000.²

On October 28, 2009, the City and the Operator entered into an Amendment to the Management Services Agreement ("First Amendment"), which addressed additional services required by the City's newly-constructed Combined Sewer Overflow ("CSO") facilities. The First Amendment increased the Annual Service Fee payable to the Operator for the Operator's increased obligation to operate and maintain the CSO facilities.

During 2009, various payment and performance issues arose between the parties. The issues arose from factors that included changes to the scope of work under the Management Services Agreement and issues raised by a performance audit report dated December 16, 2009,³ regarding the Management Services Agreement, by the State of New Jersey, Office of the Comptroller (the "Performance Audit"). Changes in the scope of work under the Management Services Agreement resulted from substantial upgrades to the City's Parkside Water Treatment Plant and Morris-Delair Water Treatment Plant in 2001 and 2008, respectively which increased the Operator's management and operation obligations for those facilities. The City also closed one of its primary sludge removal facilities, which affected the manner in which the Operator collects and hauls sludge away from the Systems. In addition, the City installed automated meters for its residential customers which changed the manner in which the Operator collects water usage data and determines billing amounts.

The Performance Audit raised multiple issues with regard to the City's and the Operator's performance under the Management Services Agreement. The Performance Audit raised questions as to whether the Operator was fulfilling its obligations with regard to maintenance of the Systems and its obligations to reduce the City's rate of unaccounted for water loss. The Performance Audit also concluded that the City was failing to properly monitor the Operator's performance and that the City lacked oversight over payments of administrative fees and pass-through charges to the Operator. In addition, the Performance Audit found that the City had failed to make capital improvements to the Systems as needed.

As a result of the changes in the scope of work, the Operator sought an increase in the Annual Service Fee. In turn, the City sought to recoup certain payments made to the Operator in light of the Performance Audit's conclusion that the Operator was not meeting all of its performance obligations under the Management Services Agreement. Negotiations to resolve those disputes were unsuccessful, and a lawsuit was commenced by the Operator in the Superior Court of New Jersey, Chancery Division, Docket No. C-9-10, on January 29, 2010 (the "Litigation"). The Operator claimed approximately \$4.5 million in monetary damages for services it claimed to have performed which were not paid. The City filed an Answer and Counterclaim on September 14, 2010, and the Litigation was transferred to the Superior Court of New Jersey, Law Division on January 24, 2011.

Throughout 2010, the City and Operator held a series of meetings in an effort to reach an amicable resolution of the matters in dispute in the Litigation. In 2011, the parties agreed to submit the matter to mediation before retired Justice Gary S. Stein, of the law offices of

² Under the Management Services Agreement, the Operator pays an Annual Concession Fee to the City, which is also subject to inflation increases. For Contract Year 2012, the Annual Concession Fee payable to the City is \$711,495.91.

³ Titled in full as: "A Performance Audit of the Management Services Agreement for the City of Camden's Water and Wastewater Collection Systems."

Pashman Stein in Hackensack, NJ. On August 12, 2011, the City and the Operator reached an agreement in principle to settle the Litigation subject to certain conditions. A significant condition of the settlement was that the parties would negotiate amendments to the Management Services Agreement to resolve contract issues and to clarify and supplement contract terms to avoid uncertainty of meaning that could result in future disputes. Id.

Representatives of the City and the Operator met regularly during the next eight months to review the Management Services Agreement in detail and negotiate the changes further described herein.

On January 9, 2012, the parties reached a final agreement on all modifications to the Management Services Agreement subject to approval of the Camden City Council and the Agencies. On January 18, 2012, the Camden City Council adopted Resolution MC-12:2234, approving the City's settlement of the Litigation. On March 8, 2012, the parties caused the written amendment (the "Amendment") to the Management Services Agreement to be executed, subject to approval of the Agencies.

Amendments to the Public-Private Contract

The Amendments/Modifications to the Management Services Agreement are as follows:⁴

- Amendments were made to reflect the change in ownership and corporate structure of the Operator
- Section 1.1(b): The definition of "Capital Improvements" has been deleted and replaced with a new definition, identifying a "Capital Improvement" as "any acquisition, construction, or replacement of property in excess of \$2500 per item that either extends the useful life of the property for more than one year or has a useful life of more than one year." The revised definition provides clarification of the Operator's responsibilities.
- Section 1.1(c)-(i): Definitions have been modified or added for the following terms: Change Order, Concession Fee Amortization Amount, Conditions for Notification, Contract Administration Memorandum, Operator, Project Guarantor, and Unamortized Up-front Fees." A "Change Order" is a written document signed by the City and the Operator after the Contract Date requesting a change in the Services. The revised definition will promote more efficient contract administration and avoidance of disputes.
- A "Contract Administration Memorandum" is a document to be prepared, once all preliminary communications have been concluded, to evidence the resolution reached by the City and the Operator as to matters of interpretation and application of the Management Services Agreement. Such matters may include: (1) determination of the specific amount of any increase or decrease of the Annual Service Fee to which the Operator is entitled based on any provision of this Agreement; (2) issues as to the meaning, interpretation, application or calculation to be made under any provision hereof; (3) the

⁴ Although described in the Order at some length, should there be any conflict between this summary and the Management Services Agreement, the terms of the Management Services Agreement control, subject to the findings and conclusions in this Order.

specific details and terms of any Change Order, or relief given on account of an Uncontrollable Circumstance; (4) notices, waivers, releases, satisfactions, confirmations, further assurances and approvals given hereunder; and (5) other similar contract administration matters. Authorized signatories to a Contract Administration Memorandum are as follows: for the City, the City Attorney; and for the Operator, the Division Manager or any other officer of the Operator. The revised definition will promote more efficient contract administration and avoidance of disputes.

- Section 3.1: Changes in this section change the term end date of the 1998 Management Services Agreement from January 31, 2019 to January 31, 2015, with an additional six-month term at the option of the City. The change in term was an essential component of the parties' negotiations, and was negotiated in consideration for all other provisions of the Amendment.
- Section 6.1(c): Additional language is added to clarify the Operator's responsibilities concerning the design and operational capabilities of the Systems. The new language requires the Operator to make annual recommendations for upgrades to the Systems. This revision ensures that the Operator will advise the City if it believes capital improvements are required.
- Section 6.2(b): New language requires the Operator to "provide to the City each year, no later than January 31st of each year, a written maintenance plan that consists of the schedule of preventative maintenance activities for the upcoming Contract Year." The Operator will now be required to include information in its monthly reports that will improve the City's ability, on an ongoing basis, to evaluate the Operator's maintenance accomplishments, relative to the annual maintenance plan. This revision promotes greater transparency for the City to ensure that maintenance has been completed according to the Operator's plan. For 2012-2013, the written maintenance plan will be provided within 180 days of the approval of the amended Management Services Agreement.
- Sections 6.12, 6.13(d), and 6.17: Minor modifications to these sections address Solid Waste Management, Distribution and Storage, and Operation and Maintenance Costs.
- Section 6.25(a)-(f): Language entitled, "Compliance with Laws and Regulations and Permits," is replaced by language addressing the Operator's obligation to comply with the Safe Drinking Water Act, the Water Pollution Control Act, the Resource Conservation Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act, the Occupational Safety and Health Act, and any other applicable local, state, and federal laws, codes, ordinances, and regulations as they pertain to the Systems.

The revisions further limit the Operator's responsibilities for any fines or penalties that do not fall under the terms for operation and maintenance of the Systems.

The revisions further state that “[a]ll Repairs to the Systems shall be made by the Operator at its cost and expense, subject to Schedule 22 and the other terms and conditions of the Agreement....”

- Section 7.1: Language is added to the section entitled, “City Responsibilities,” requires the City to notify the Operator of the expenditures it has made to implement Capital Improvements to the Systems. The inserted language further sets forth the City’s responsibilities for notifying the Operator when it cannot adequately fund a capital improvement. If any penalties are assessed that directly arise from the City’s failure to fund or implement a Capital Improvement, the revised Section sets forth the parties’ respective responsibilities for said penalties and for resolving disputes related to same. The added language will assist in clarifying the parties’ responsibilities.
- Section 8.4: The following language is added to the section entitled, “Annual Service Fee”: “Effective July 1, 2011, the Annual Service Fee shall be \$10,850,000.00. This fee shall be prorated on a monthly basis for the remainder of the 2011-2012 Contract Year and is subject to the provisions of Schedule 5.” The increases to the Annual Service Fee reflect changes in the scope of work since the Commencement Date of the Management Services Agreement.
- Section 8.5(a): The following language is added: “The City shall continue to review and implement where feasible rate policies that will help to improve customer metering, billing and collections.” The added language provides for continued improvement in customer service and sharing of expertise between the City and the Operator.
- Section 8.7.3: The following language is added: “The City shall cooperate with the Operator in attempting to install meters at all such municipal and quasi-municipal properties.” The added language provides for continued improvement in City revenues and the City’s rate of unaccounted for water loss.
- Section 9.2(e): Added language limits the Operator’s liability under the Management Services Agreement and excludes the Operator’s insurance coverage from inclusion in limitation of liability. The added language updates and clarifies contractual provisions.
- Section 9.3(a)(4): The following language is added: The failure of the City to make timely payments as set forth in this Agreement, or, in the event of a dispute, to place disputed funds into an escrow account pursuant to Section 10.18.
- Section 9.3(b): New language sets forth procedure in event of termination of the Management Services Agreement by the Operator.
- Section 10.13: New language sets forth the rate of fixed overhead charges, to be applied as Pass-Through Charges to the City, at the following rates on a per-project basis: 12% for charges up to \$100,000; 10% for charges up to

\$500,000; and 8% for charges in excess of \$500,000. The new language provides the City with assurance that the Operator will not profit from pass-through charges.

The modified Section 10.13 further establishes procurement policies that are to be followed by the Operator with respect to any Pass-Through Charges that are subject to Cost Substantiation. The added procurement policies will ensure that the Pass-Through Charges to the City accurately reflect the cost of work performed.

- Sections 10.16(e) and Section 10.18: Minor modifications are made regarding the preparation of Contract Administration Memorandums and the parties' rights in the event of any Uncontrollable Circumstances.
- Section 10.24: The existing section is deleted and replaced by a new section concerning Dispute Resolution between the parties. If, after taking steps to resolve disputes, no amicable resolution has been achieved, then the parties will submit the dispute to mediation prior to filing an action in the Superior Court of New Jersey. This added procedure will facilitate timely and amicable resolutions of disputes and also addresses attorney's fees.
- Schedule 1: This schedule is updated to reflect changes in the Systems since 1998, including closure of Puchak Water Treatment Plant, closure of wells, upgrades to Morris-Delair Water Treatment Plant, upgrades to Parkside Water Treatment Plant, and construction of new Combined Sewer Overflow netting facilities (as set forth in 2009 CSO Amendment). The updates will provide clarity to the parties regarding the scope of work under the Management Services Agreement.
- Schedule 2 and Tables S2-1 thru S2-9: Modifications are made to the Operator's responsibilities regarding permits; clarifies Operator responsibilities regarding fire hydrant repair and replacement; Table S2-1 (unchanged); Table S2-2 (unchanged); Table S2-3 (minor modification); Table S2-4 (deletion of language pertaining to Parkside Water Treatment Plant Filter Backwash and Morris-Delair Water Treatment Plant Residuals); Table S2-5 (minor modification); Table S2-6 (minor modification); Table S2-7 (minor modification); Table S2-8 (unchanged); and Table S2-9 (was replaced and now sets forth Operator requirements regarding "unaccounted for water loss," including annual Leak Detection Survey and reporting requirements). The modifications to the referenced Tables will provide clarity to the parties regarding the scope of work under the Management Services Agreement.
- Schedule 3: Modifications are made to reflect current billing procedures and to clarify the authority of the City regarding customer bills.
- Schedule 5: Modifications are made to reflect the new Annual Service Fee of \$10,850,000, payable to the Operator as a pro-rated monthly fee. The new fee was negotiated by the City and the Operator to reflect the existing scope of services under the Management Services Agreement and additional services to be provided by the Operator, including the Annual Leak Detection

Survey. Inflation increases to the Annual Service Fee will be implemented in each contract year, but will not exceed four percent.

The modified Schedule 5 further provides for inflation adjustments to the Annual Concession Fee of \$711,495.91, payable to the City by the Operator on February 1 of each Contract Year, not to exceed four percent. The revisions to Schedule 5 reflect the terms of the parties' settlement and they will promote contract administration.

- Schedule 7: "Permits" will be updated by the parties. The updates will provide clarity regarding the scope of work under the Management Services Agreement.
- Schedule 9: was deleted in its entirety.
- Schedule 10: "Equipment and Chemicals Inventory" will be updated.
- Schedules 18 and 19: These sections are to be deleted to reflect the deletion of performance bond/letter of credit requirements. The omission of these requirements was an element of consideration for the settlement. The City is adequately protected by a guaranty of the parent of the Operator.
- Schedule 20: was deleted in its entirety.
- Schedule 22: The modification sets forth new amounts applicable to Maintenance and Repair Funds, including the Above Ground Maintenance and Repair Fund,⁵ Below Ground Maintenance and Repair Fund,⁶ Capital Item Fund,⁷ and CSO Netting Fund.⁸ These funds represent a portion of the Annual Service Fee dedicated to particular types of maintenance and repair, capital expenditures, and CSO maintenance. The revised, detailed procedures will provide greater transparency to the City and they will promote ease of contract administration regarding the work performed under these programs.
- Schedule 25B: This schedule replaces former Schedules 24A and 25B with a revised Contract Termination Payment Schedule.

By letter dated August 3, 2012, the Division of Rate Counsel ("Rate Counsel") advised the Board that Rate Counsel did not object to the March 8, 2012 amendments to the Management Services Agreement and was not opposed to the Board's approval of the Petition.

⁵ Defined as "the fund established by the Operator for the purposes of paying Maintenance Costs and Repair Costs relating to the Above Ground System...."

⁶ Defined as "the fund established by the Operator for the purposes of paying Maintenance Costs and Repair Costs relating to the Below Ground System...."

⁷ Defined as "the fund established by the Operator for the purposes of paying Capital Item Costs relating to the Above Ground System...."

⁸ Defined as "the fund established by the Operator for the purposes of paying for replacement nets and materials as well as costs associated with hauling and disposal of used nets and debris for the CSO Netting Facilities...."

DISCUSSIONS AND FINDINGS

After review of the record herein, the Board **FINDS** that the statute-imposed criteria listed, hereinabove, has been met.

1. United Water Environmental Services, Inc. has the financial capacity, technical and administrative experience to ensure continuity of service over the terms of the contract (N.J.S.A. 58:26-25 (c) (1)). United Water Environmental Services, Inc. is a wholly owned subsidiary of United Water, Inc., ("Parent Company") which in turn is a wholly owned subsidiary of United Water Resources, a New Jersey Corporation, of which certain of its subsidiaries are Board regulated entities. United Water, Inc. is a wholly owned subsidiary of Suez Environmental North America, Inc., which is itself a wholly owned subsidiary of Suez Environmental SA, a French societe` anonyme. Suez Environmental is controlled by GDF Suez SA, also a French societe` anonyme. United Water Environmental Services, Inc. (and its predecessors) has demonstrated over the years that it has the financial capacity, and technical and administrative expertise to meet all the demands of the proposed contract.
2. The terms of the contract are not unreasonable given the services that are to be performed by United Water Environmental Services, Inc. (N.J.S.A. 58:26-25 (c) (2)). The proposed amendments will resolve certain disputes and ambiguities that have arisen as a result of the current contract.
3. N.J.S.A. 58:26-25 (c)(3) is intended to protect franchise customers outside the City of Camden. All of Camden's customers are located within Camden's boundaries.
4. The contract contains provisions addressing the following:

N.J.S.A. 58:26-23 (e)(1): The charges, rates, fees or formulas to be used to determine the charges, rates or fees to be charged by the public utility for the water supply services to be provided are incorporated. Camden fixes the rates for the water service pursuant to N.J.S.A. 40:14B-21. The service agreement does not fix rates for the Camden customers. There is no subsidization of customers outside the municipal boundaries.

- N.J.S.A. 58:26 (e)(2): The allocation of the risks of financing and constructing planned capital additions or upgrades to existing water supply facilities are incorporated; and
- N.J.S.A. 58:26-23 (e)(6): The employment of current employees of the public entity whose petitions of employment will be affected by the terms of the contract are addressed. This is a Contract modification and no employees are tentatively affected by the Amended Agreement

Therefore, based upon the above, the Board **HEREBY APPROVES** the amendments/modifications to the Public-Private Contract between the City of Camden and United Water Environmental Services, Inc. subject to the following provisions:

1. The City of Camden, within ten (10) days of the date of this Order, shall submit to the Board an affidavit and/or Order detailing actions taken by the Local Finance Board within

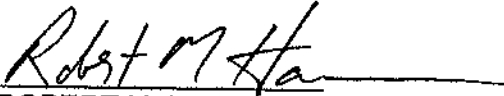
the Division of Local Government Services in the Department of Community Affairs, as required by N.J.S.A. 58:26-25(a).

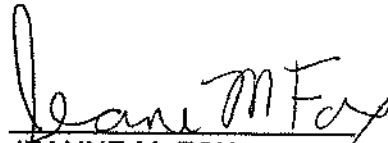
2. The City of Camden shall notify the Board of any comments made by the New Jersey Department of Environmental Protection, based upon its review, in accordance with N.J.S.A. 58:26-25(a), within ten (10) days of receipt of any such comments.
3. The City of Camden shall obtain the final opinion of Bond Counsel, pursuant to N.J.S.A. 58:26-23(g) and submit the same to the Board within thirty (30) days of closing on the proposed Public-Private Contract.
4. The City of Camden shall notify the Board if the proposed Public-Private Contract is not executed within forty-five days (45) of the date of this Order and advise as to why such contract has not been executed.
5. Any extension of the contract beyond January 31, 2015, with an additional six-month term at the option of the City shall be subject to Board review and approval.

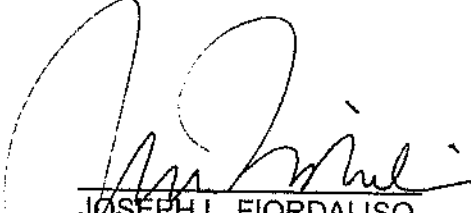
This Order shall be effective on August 25, 2012.


DATED: 8/15/12

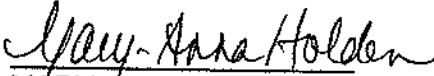
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JEANNE M. FOX
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JOSEPH L. FIORDALISO
COMMISSIONER



NICHOLAS ASSELTA
COMMISSIONER


MARY-ANNA HOLDEN
COMMISSIONER

ATTEST:


KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities



In the Matter of the Application for Approval
Of Modifications to the Management Services Agreement
Between the City of Camden and United Water Environmental Services
BPU Docket No. WM12050457

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