

**RESOLUTION TO ADOPT A POLICY CONCERNING THE PAYMENT OF
NECESSARY EXPENSES INCURRED BY AUTHORITY MEMBERS**

WHEREAS, the Sewerage Authorities Law provides at N.J.S.A. 40:14A-5 (d) for the payment by a Sewerage Authority of necessary expenses incurred by its Members in the discharge of their duties; and

WHEREAS, the Pequannock River Basin Regional Sewerage Authority ("the Authority") has determined that it is in the public interest that the circumstances under which such payments are to be made should be clearly defined and enumerated; and

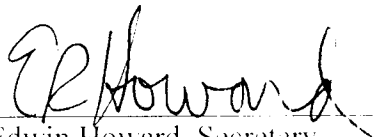
WHEREAS, the Authority has undertaken a review of its policy on this topic and desires to adopt a Resolution to reflect the same.

NOW THEREFORE BE IT RESOLVED, by the Pequannock River Basin Regional Sewerage Authority in the Counties of Morris and Passaic and the State of New Jersey on this 15th day of July, 2009 as follows:

1. The Authority hereby approves and adopts the attached "Business Expense Policy" dated July, 2009 and directs that the entitlement for and payment of expenses by Authority Members shall be administered in accordance with its terms.
2. This Resolution shall take effect as provided by law.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Pequannock River
Basin Regional Sewerage Authority at a duly convened public meeting held on July 15, 2009.

By: 
Edwin Howard, Secretary