

RESOLUTION

WHEREAS, the Pequannock River Basin Regional Sewerage Authority (hereinafter the "Authority") has received a request from the Pequannock, Lincoln Park and Fairfield Sewerage Authority (hereinafter "Two Bridges" or "TBSA") for a reduction of the present 2.08 mgd flow used by Two Bridges for distribution of the TBSA operation and maintenance component of the TBSA Annual Charges (the "User Charges"); and

WHEREAS, the Authority has considered the analysis prepared by its Consulting Engineer on the implications of said budgeted flow reduction; and

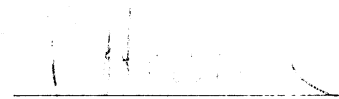
WHEREAS, the Authority has determined that some additional risk of incurring a User Charge year-end increase will result on acceptance of a reduction of the TBSA budgeted flow as requested; and

WHEREAS, the Consulting Engineer has recommended accepting a reduction of the present 2.08 mgd budgeted flow to a flow of not less than 2.03 mgd [or not less than 32.90% of the total TBSA budgeted flow].

NOW, THEREFORE, BE IT RESOLVED by the Pequannock River Basin Regional Sewerage Authority in the Counties of Morris and Passaic in the State of New Jersey on this 18th day of January, 2012 as follows:

1. The Authority accepts the recommendations of its Consulting Engineer as hereinabove set forth.
2. The Consulting Engineer is authorized and directed to forward this resolution to Two Bridges advising of its consent to the levels set forth above.
3. This Resolution shall take effect immediately.

Certified to be a true copy of the Resolution enacted at a duly convened public meeting of the Pequannock River Basin Regional Sewerage Authority held on January 18, 2012.


Edwin Howard, Secretary