



# PASSAIC VALLEY WATER COMMISSION

RESOLUTION #15-81

## RESOLUTION OF PASSAIC VALLEY WATER COMMISSION

DATE OF ADOPTION: July 15, 2015

Factual Contents certified to by Louis Amodio, Administrative Secretary. Approved as to Form and Legality on basis of facts set forth by George T. Hanley, General Counsel. Entering Executive Closed Session in accordance with Open Public Meetings Act, R.S. 10:4-6 et seq. Pursuant to the Open Public Meetings Act,

COMMISSIONER: KOLODZIEJ offers the following Resolution for adoption:

WHEREAS, Section 8 of the Open Public Meetings Act, c. 231, P.L. 1975, permits the exclusion of the public from a meeting in certain circumstances: and

WHEREAS, the public body is of the opinion that such circumstances presently exist:

NOW, THEREFORE, BE IT RESOLVED, by the Commissioners of Passaic Valley Water Commission:

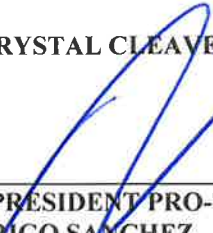

1. The public shall be excluded from discussion of the hereinafter specified subject Matters; the general nature of the subject matters being: Financial, Insurance, Personnel, Contracts, Negotiations, Security, and Law: LAW: Personnel: Administration: other matters as may be discussed *in camera*.
2. It is anticipated at this time that the above-stated subject matter will be ratified During public meeting following or as soon thereafter as the reason for discussion no Longer exists.
3. This Resolution shall take effect immediately.

Second by COMMISSIONER: GRADDY

AYES: 6 ABSENT: 1 Time: 12:20 P.M.

RECORD OF COMMISSION VOTE ON FINAL PASSAGE				
	AYE	NO	ABSTAIN	ABSENT
*RIGO SANCHEZ	X			
JEFFREY LEVINE	X			
RUSSELL GRADDY	X			
GLORIA KOLODZIEJ	X			
MENACHEM BAZIAN	X			
THOMAS P. DE VITA	X			
CHRYSYAL CLEAVES				X

 PRESIDENT PRO-TEM RIGO SANCHEZ	 SECRETARY THOMAS P. DE VITA
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\*VOTED LAST AS PRESIDENT PRO-TEM



**RESOLUTION# 15-82**

**SERIES 2015 SUPPLEMENTAL RESOLUTION NO. 1 SUPPLEMENTING THE PASSAIC VALLEY WATER COMMISSION'S GENERAL BOND RESOLUTION DULY ADOPTED MAY 27, 1992, AS AMENDED AND SUPPLEMENTED, AND PROVIDING FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$12,500,000 PRINCIPAL AMOUNT OF WATER SUPPLY SYSTEM REVENUE REFUNDING BONDS, SERIES 2015 IN ONE OR MORE SERIES OF THE COMMISSION AND DETERMINING VARIOUS MATTERS PERTAINING THERETO**

Approved as to form and legality by Bond Counsel on the basis of facts set forth by Executive Director, Purchasing, Engineering and Finance Departments.

Introduced by Commissioner: **KOLODZIEJ**

Seconded by Commissioner: **DE VITA**

ADOPTED: JULY 15, 2015

**WHEREAS**, on May 27, 1992, the Passaic Valley Water Commission (the "Commission") adopted a resolution entitled, "Resolution Authorizing the Issuance of Water Supply System Revenue Bonds of The Passaic Valley Water Commission," as amended and supplemented (the "General Bond Resolution"), providing for, among other things, the issuance of Bonds in order to finance the Costs of the Commission's System, including the acquisition, construction or improvement thereof and the funding of any deposits into any fund or account established and created under the General Bond Resolution; and

**WHEREAS**, the Commission has determined to issue one or more Series of its Bonds, pursuant to the General Bond Resolution, in the aggregate principal amount not to exceed \$12,500,000 to provide for, among other things: (1) the current refunding of all or a portion of the Commission's outstanding Water Supply System Revenue Refunding Bonds, Series 2005; (2) the advance refunding of all or a portion of the Commission's outstanding Water Supply System Revenue Bonds, Series 2007C; (3) deposits to the Commission's Bond Reserve Fund (or the purchase of a surety bond with respect thereto), to increase the amounts therein to amounts equal to the Bond Reserve Requirement; and (4) the payment of the costs associated with the issuance of such Bonds (together, the "Project"); and

**WHEREAS**, in accordance with the provisions of the General Bond Resolution, the Commission desires to authorize the issuance and delivery of one or more Series of its Bonds in the aggregate principal amount not to exceed \$12,500,000, to be designated "Water Supply System Revenue Refunding Bonds, Series 2015" (the "Series 2015 Bonds") and to provide terms and conditions with respect to such Series 2015 Bonds, in addition to those which have been previously established by the General Bond Resolution,

**NOW THEREFORE, BE IT RESOLVED BY THE PASSAIC VALLEY WATER COMMISSION, as follows:**

**ARTICLE 1. DEFINITIONS AND INTERPRETATIONS**

*SECTION 101.*            SHORT TITLE.

This resolution may hereinafter be cited by the Commission and is hereinafter sometimes referred to as "Series 2015 Supplemental Resolution No. 1."

*SECTION 102.*            AUTHORIZATION FOR SERIES 2010 SUPPLEMENTAL RESOLUTION NO. 2.

This Series 2015 Supplemental Resolution No. 1 is authorized by and adopted pursuant to the provisions of Sections 802(6), 802(7) and 806 of the General Bond Resolution.

*SECTION 103.*            CERTAIN DEFINITIONS.

Terms that are used as defined terms herein shall, unless specifically defined herein or unless the context clearly requires otherwise, have the meanings assigned to such terms in the General Bond Resolution.

**ARTICLE II. AUTHORIZATION AND ISSUANCE OF SERIES 2015 BONDS**

*SECTION 201.*            AMOUNT AND TITLE OF SERIES 2015 BONDS.

An aggregate principal amount not to exceed \$12,500,000 of Series 2015 Bonds are hereby authorized to be issued pursuant to the terms of the General Bond Resolution by the Commission in accordance with the provisions of the General Bond Resolution and this Series 2015 Supplemental Resolution No. 1. The Series 2015 Bonds shall be designated "Water Supply System Revenue Refunding Bonds, Series 2015", consisting of one or more series of obligations.

*SECTION 202.*            DESCRIPTION OF SERIES 2015 BONDS.

(1) Term. The Series 2015 Bonds shall be dated and shall bear interest from their dated date and shall mature at the respective principal amounts, subject to prior redemption, at such rates, on such dates and in such amounts, and at such Redemption Price(s), if applicable, as may be provided by one or more supplemental resolutions of the Commission (or certificate of the President, Vice President or Executive Director of the Commission (the "Certificate") in furtherance of this Series 2015 Supplemental Resolution No. 1)(such supplemental resolutions or Certificate are hereinafter referred to as "Details Resolutions"); provided that if determined by Certificate, the final maturity of the Series 2015 Bonds shall not be later than December 31, 2027 and the interest rate shall not exceed 6.50%. Principal of the Series 2015 Bonds shall mature commencing on December 1, 2015 or such other date as is determined by the Details Resolution.

(2) Interest Rates Per Annum and Interest Payment Dates. The Series 2015 Bonds shall bear interest at the interest rate per annum as shall be set forth in the Details Resolution. Interest on the Series 2015 Bonds shall be payable on each December 1 and June 1, commencing December 1, 2015 (or such other dates as are determined by the Details Resolution) until the Commission's obligation with respect to the Series 2015 Bonds shall be discharged.

(3) Denomination and Place of Payment. The Series 2015 Bonds shall be issued in fully registered form, without coupons, and are issuable in the denomination of \$5,000 each, or any integral multiple thereof, except that an amount maturing in any one year in excess of the largest principal amount thereof equaling a multiple of \$5,000 will be in the denominations of \$1,000, or any integral multiple thereof. The principal of and interest on the Series 2015 Bonds shall be payable to the Registered Owner thereof, on the May 15 or November 15 next preceding the applicable payment date of the 2015 Bonds or 15 days next preceding the applicable date fixed for redemption, upon presentation and surrender of the Series 2015 Bonds at the principal corporate trust office of the Paying Agent. All other terms and conditions with respect to the payment of the principal and interest on the Series 2015 Bonds shall be as provided in the General Bond Resolution or in the Details Resolution.

(4) Form of Series 2015 Bonds. The Series 2015 Bonds shall be in substantially the form described in Section 1209 of the General Bond Resolution with such adjustments and modifications as shall be necessary to complete the issuance and delivery of such Series 2015 Bonds.

*SECTION 203.*            REDEMPTION OF SERIES 2015 BONDS.

The Series 2015 Bonds are subject to optional and sinking fund redemption prior to maturity under such conditions and on such terms as may be set forth in the Details Resolution.

*SECTION 204.*            APPOINTMENT OF TRUSTEE, ESCROW AGENT, PAYING AGENT AND REGISTRAR.

Manufacturer's and Trader's Trust Company, N.A. ("M & T Bank, N.A."), New York, New York is hereby appointed Trustee, Escrow Agent, Bond Registrar and Paying Agent for the Series 2015 Bonds. The Trustee, Bond Registrar and Paying Agent shall signify its acceptance of the trusts and duties hereunder and under the General Bond Resolution by its execution of the Escrow Agreement and closing certificates. The Executive Director is authorized to appoint a verification agent.

*SECTION 205.*            SYSTEM RESERVE AND OPERATING FUND RESERVE ACCOUNT REQUIREMENTS.

The System Reserve Requirement and the Operating Fund Reserve Account Requirement shall be set forth in the Details Resolution.

*SECTION 206.* BOND SERVICE RESERVE REQUIREMENT.

The Bond Reserve Requirement for the Series 2015 Bonds shall be determined in accordance with the requirements of the Resolution, at the time of issuance thereof, based on a Certificate of an Authorized Officer. Such requirement may be satisfied with proceeds of the Series 2015 Bonds, other funds of the Commission or a surety bond.

**ARTICLE III. SALE OF SERIES 2015 BONDS**

*SECTION 301.* EXECUTION OF THE SERIES 2015 BONDS.

The President, Vice President or Executive Director of the Commission is hereby authorized to execute the Series 2015 Bonds in the name and on behalf of the Commission, and the Secretary shall cause the corporate seal of the Commission to be affixed thereto or reproduced thereon, and the Secretary is hereby authorized to attest to said corporate seal.

*SECTION 302.* SALE OF SERIES 2015 BONDS.

The Commission has determined that the Series 2015 Bonds shall be sold by private sale to Raymond James & Company, Inc. (the "Purchaser"). The President, Vice President or Executive Director of the Commission is hereby authorized to execute a bond purchase agreement on behalf of the Commission with the Purchaser provided such terms are consistent with this Series 2015 Supplemental Resolution No. 1 and provided further that the underwriter's discount for the Series 2015 Bonds shall not exceed \$3.21 per \$1,000 per bond, exclusive of counsel fees not to exceed \$20,000, plus disbursements.

*SECTION 303.* AUTHENTICATION AND DELIVERY OF THE SERIES 2015 Bonds.

The President, Vice President or Executive Director of the Commission is hereby authorized, after the execution of the Series 2015 Bonds, to cause the same to be issued and delivered in accordance with the terms of the General Bond Resolution and this Series 2015 Supplemental Resolution No. 1.

*SECTION 304.* PAYMENT OF COSTS OF ISSUANCE.

The President or any other Commission Officer is authorized and directed to pay or cause to be paid all of the approved costs associated with the sale and issuance of the Series 2015 Bonds, as approved by the Executive Director.

*SECTION 305.* ADDITIONAL ACTS REGARDING SERIES 2015 BONDS.

The President or any other Commission Officer, and the staff and consultants of the Commission are hereby authorized and directed to take all actions which are necessary or which are convenient to effectuate the terms of the General Bond Resolution in connection with the

issuance, sale and delivery of the Series 2015 Bonds, including but not limited to, the preparation and distribution of a preliminary and final offering document. The Commission is also authorized to enter into any additional agreements and/or investments necessary in order to provide for the issuance of the Series 2015 Bonds.

SECTION 306. APPROVAL OF FORM OF ESCROW DEPOSIT AGREEMENT AND AUTHORIZATION REGARDING ESCROW INVESTMENTS.

The President or any other Commission Officer shall be and they are hereby authorized and directed to execute and deliver, for and on behalf of the Commission the preparation and distribution of a final Official Statement, and the execution and delivery of an Escrow Deposit Agreement (the "Escrow Deposit Agreement") in connection with the refunding of the Refunded Bonds, a copy of which is attached hereto as **Exhibit A** and which by this reference is made a part hereof as if set forth in full herein on behalf of the Commission, and the execution of closing documents. All such actions heretofore taken are hereby ratified and confirmed.

The Escrow Deposit Agreement shall be in substantially the form attached hereto as **Exhibit A** with such adjustments and modifications as shall be necessary to complete the issuance and delivery of the Series 2015 Bonds and to provide for the Escrow requirements of the Refunded Bonds, including, but not limited to, the execution of one or more subscriptions for the purchase of U.S. Government Obligations, State and Local Government Series ("SLGS"). The Escrow Agent, the financial advisor to the Commission, bond counsel to the Commission and the Underwriter are specifically authorized to file any necessary applications relating to the SLGS, and all actions heretofore taken by any such persons on behalf of the Commission are hereby ratified and confirmed. The financial advisor to the Commission is hereby authorized to act as bidding agent to procure other authorized investments to the extent necessary or desirable.

SECTION 307. AUTHORIZATION FOR OFFICIAL STATEMENT.

The distribution by the Commission, and its financial advisor, of one or more Preliminary Official Statements relating to the Series 2015 Bonds (a draft of which is attached hereto as **Exhibit B** and shall be filed with the records of the Commission) is hereby authorized in substantially such form, with such insertions, deletions and changes therein and any supplements thereto as bond counsel may advise and the Commission officer executing the same may approve, such approval to be evidenced by such Commission officer's execution thereof. The President or Executive Director Finance is hereby authorized to deem the Preliminary Official Statement "final" within the meaning of Rule 15c2-12 of the Rules of the Securities and Exchange Commission and to execute and deliver a certificate to that effect. The President or Executive Director is hereby authorized to approve the contents and terms of the final Official Statement in respect of the aforementioned notes in substantially the form of the Preliminary Official Statement. The President or Executive Director is hereby authorized to sign such Official Statement on behalf of the Commission, in substantially such form, with such insertions, deletions and changes therein and any supplements thereto as bond counsel may advise and the Commission officer executing the same may approve, such approval to be evidenced by such Commission officer's execution thereof.

*SECTION 308.*            BOND INSURANCE

The Executive Director of the Commission is hereby authorized to negotiate the purchase of a municipal bond insurance policy with respect to the Series 2015 Bonds, upon such terms as he determines, with the advice of the Commission's financial advisor, as prudent, and that will result in debt service savings.

*SECTION 309.*            BOND PURCHASE AGREEMENT

The Bond Purchase Agreement in substantially the form attached hereto as **Exhibit C** is hereby approved, with such revisions, modifications, and insertions as may be approved by the officers of the Authority executing the Bond Purchase Agreement, such approval to be evidenced by the execution thereof, and the President, Vice President, Secretary, Treasurer and/or Executive Director of the Commission is hereby authorized to execute and deliver the Bond Purchase Agreement on behalf of the Commission.

*SECTION 310.*            CONTINUING DISCLOSURE.

The Continuing Disclosure Agreement in substantially the form attached hereto as **Exhibit D** is hereby approved, with such revisions, modifications, and insertions as may be approved by the officers of the Authority executing the Continuing Disclosure Agreement, such approval to be evidenced by the execution thereof, and the President, Vice President, Secretary, Treasurer and/or Executive Director of the Commission is hereby authorized to execute and deliver the Continuing Disclosure Agreement on behalf of the Commission. The Commission hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement.

*SECTION 311.*            DEPOSITORY TRUST COMPANY

The Depository Trust Company ("DTC") will serve as securities depository for the Series 2015 Bonds. The Series 2015 Bonds will be issued as fully registered securities in the name of Cede & Co., as nominee of DTV. One fully registered bond certificate will be issued for each maturity of the Series 2015 Bonds, and will be deposited with DTC. The Commission shall comply with all requisite terms and conditions of DTC in order to qualify the series 2015 Bonds for book-entry-only system. The Commission reserves the right to terminate the book-entry-only system for the Series 2015 Bonds if, in its sole discretion, it determines that such termination is for the benefit of the holders of the Series 2015 Bonds.

*SECTION 312.*            PRIOR ACTION.

All action which has been taken prior to the date hereof by the officers, employees, and agents of the Commission with respect to the sale of the Series 2015 Bonds is hereby approved and ratified.

**ARTICLE IV. MISCELLANEOUS**

*SECTION 401.*            EFFECTIVE DATE.



Pursuant to and in accordance with Section 806 of the General Bond Resolution, this Series 2015 Supplemental Resolution No. 1 shall be fully effective in accordance with its terms upon the filing with the Trustee of a copy of this Series 2015 Supplemental Resolution No. 1, certified by the Secretary of the Commission or a person designated to serve in that capacity by the Commission together with the opinion of Bond Counsel required by Section 806 of the General Bond Resolution, and if applicable, the consent of any Bond Insurer or provider of any Credit Facility.

*SECTION 402.*      INCORPORATION OF REMAINDER OF RESOLUTION BY REFERENCE.

All provisions of the General Bond Resolution, as amended, other than those amended by the provisions of this resolution, are incorporated herein by reference as if set forth at length herein. Such provisions shall remain in full force and effect.

*SECTION 403.*      COVENANT AS TO COMPLIANCE WITH FEDERAL TAX MATTERS.

The Commission hereby covenants that it will take all actions within its control that are necessary to assure that interest on the Series 2015 Bonds that are issued as tax-exempt obligations is excludable from gross income under the Internal Revenue Code of 1986, as amended (“Code”). The Commission will refrain from taking any action that would adversely affect the exclusion of interest on such Series 2015 Bonds from gross income under the provisions of the Code. To assist the Commission in complying with this covenant, the Bond Counsel and/or Financial Consultant shall from time to time provide instructions to the Executive Director and Chief Financial Officer of the Commission concerning the application of the proceeds and investment income, if any, from such Series 2015 Bonds and the manner in which the record of expenditures and investments may be maintained.

*SECTION 404.*      PUBLICATION AND FILING.

The Secretary is hereby directed to publish the Notice of Adoption of this Series 2015 Supplemental Resolution No. 1 in the official newspaper(s) of the Commission and to file a certified copy of this Series 2015 Supplemental Resolution No. 1 with the Trustee and with the Offices of the Clerks of the Owner Cities as prescribed by N.J.S.A. 40:62-133.5.

RECORD OF COMMISSION VOTE ON FINAL PASSAGE

	AYE	NAY	ABSTAIN	ABSENT
*SANCHEZ, R.	<u>X</u>	—	—	—
LEVINE, J.	—	—	—	<u>X</u>
GRADDY, R.	<u>X</u>	—	—	—
KOLODZIEJ, G.	<u>X</u>	—	—	—
BAZIAN M.	<u>X</u>	—	—	—
DE VITA, T.	<u>X</u>	—	—	—
CLEAVES, C.	—	—	—	<u>X</u>

Adopted at a meeting of Passaic Valley Water Commission.

\_\_\_\_\_  
 President Pro-tem  
 RIGO SANCHEZ

  
 \_\_\_\_\_  
 Secretary  
 THOMAS P. DE VITA

This Resolution, when adopted, must remain in the custody of the Administrative Secretary.

**\*VOTED LAST AS PRESIDENT PRO-TEM**

The foregoing is a true and complete copy of a resolution of the Passaic Valley Water Commission adopted at a meeting thereof duly called and held on June 15, 2015.

  
 \_\_\_\_\_  
 Louis Amodio, Administrative Secretary

This Resolution, when adopted, must remain in the custody of the Administrative Secretary.

Exhibit A

**EXHIBIT A**

**BONDS TO BE REFUNDED**

**PASSAIC VALLEY WATER COMMISSION,  
WATER SUPPLY SYSTEM REVENUE REFUNDING BONDS, SERIES 2005**

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>Call Date</u>	<u>Call Price</u>	<u>CUSIP</u>
12/15/2016	3.600%	655,000	12/15/2015	100%	702845FE3
12/15/2017	3.800%	685,000	12/15/2015	100%	702845FF0
12/15/2018	3.900%	715,000	12/15/2015	100%	702845FG8
12/15/2019	4.000%	740,000	12/15/2015	100%	702845FH6
12/15/2020	4.000%	775,000	12/15/2015	100%	702845FJ2
12/15/2021	4.100%	800,000	12/15/2015	100%	702845FK9
12/15/2022	4.125%	840,000	12/15/2015	100%	702845FL7
12/15/2023	4.200%	370,000	12/15/2015	100%	702845FM5
12/15/2024	4.200%	380,000	12/15/2015	100%	702845FN3
12/15/2025	4.250%	400,000	12/15/2015	100%	702845FP8
12/15/2026	4.250%	420,000	12/15/2015	100%	702845FQ6
Total		\$6,780,000			

**PASSAIC VALLEY WATER COMMISSION,  
WATER SUPPLY SYSTEM REVENUE BONDS, SERIES 2007C**

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>Call Date</u>	<u>Call Price</u>	<u>CUSIP</u>
12/0/2018	4.000%	350,000	12/1/2017	100%	702845GD4
12/0/2019	4.000%	365,000	12/1/2017	100%	702845GE2
12/0/2020	4.000%	380,000	12/1/2017	100%	702845GF9
12/0/2021	4.000%	395,000	12/1/2017	100%	702845GG7
12/0/2022	4.100%	410,000	12/1/2017	100%	702845GH5
12/0/2027	5.000%	2,350,000	12/1/2017	100%	702845GN2
Total		\$4,250,000			

**ESCROW DEPOSIT AGREEMENT**

**by and between**

**PASSAIC VALLEY WATER COMMISSION**

**and**

**MANUFACTURERS AND TRADERS TRUST COMPANY, N.A., as Escrow Agent**

**Dated September \_\_, 2015**

## ESCROW DEPOSIT AGREEMENT

**THIS ESCROW DEPOSIT AGREEMENT** (the “Agreement”), dated September \_\_, 2015, by and between PASSAIC VALLEY WATER COMMISSION (the “Commission”) and MANUFACTURERS AND TRADERS TRUST COMPANY, N.A., a national banking association duly created and validly existing under the laws of the United States of America, as Escrow Agent hereunder (the “Escrow Agent”).

### WITNESSETH:

**WHEREAS**, pursuant to and in accordance with (i) the provisions of the New Jersey Water Commission Act, constituting Chapter 195 of the Pamphlet Laws of 1923 of the State of New Jersey, as amended and supplemented (codified at N.J.S.A. 40:62-108, *et seq.*) (the “Act”), and (ii) a resolution of the Passaic Valley Water Commission adopted on May 27, 1992 entitled, “Resolution Authorizing the Issuance of Water Supply System Revenue Bonds of The Passaic Valley Water Commission,” as amended and supplemented (the “General Bond Resolution”), the Commission previously issued and sold its Water Supply System Revenue Refunding Bonds, Series 2005 in the original aggregate principal amount of \$10,605,000, dated February 23, 2005 (the “2005 Bonds”) and its Water Supply System Revenue Bonds, Series 2007C in the original aggregate original amount of \$7,070,000, dated November 27, 2007 (the “2007 Bonds” and collectively with the 2005 Bonds, or the “Prior Bonds”); and

**WHEREAS**, on \_\_\_\_, 2015, the Commission adopted a resolution entitled “Series 2015 Supplemental Resolution No. 1 Supplementing The Passaic Valley Water Commission’s General Bond Resolution Duly Adopted May 27, 1992, As Amended And Supplemented And Providing For The Issuance And Sale Of Not To Exceed \$12,500,000 Principal Amount Of Water Supply System Revenue Refunding Bonds, Series 2015 In One Or More Series Of The Commission And Determining Various Matters Pertaining Thereto”, as amended and supplemented by an Award Certificate dated as of \_\_\_\_, 2015 (the “Supplemental Resolution” and collectively with the General Bond Resolution, “the Resolution”), providing, among other things, for the issuance of its Water Supply System Revenue Refunding Bonds, Series 2015 in the aggregate principal amount of \$12,500,000 to provide for the refunding of the Prior Bonds; and

**WHEREAS**, pursuant to the Resolution, the Commission has issued its Water Supply System Revenue Refunding Bonds, Series 2015 in the aggregate principal amount of \$\_\_\_\_\_ (the “2015 Bonds”) to provide for, *inter alia*, along with other moneys of the Commission, the current refunding of all or a portion of the outstanding 2005 Bonds maturing on or after December 15, 2015 (the “2005 Bonds to be Refunded”) and the advance refunding of all or a portion of the outstanding 2007 Bonds maturing after December 1, 2017, (the “2007 Bonds to be Refunded” and collectively with the 2005 Bonds to be Refunded, the “Bonds to be Refunded”), as set forth in **Exhibit A** attached hereto;

**WHEREAS**, pursuant to the Resolution, the Commission has authorized the deposit with the Escrow Agent of an amount from the proceeds of the sale of the 2015 Bonds that, together with other monies of the Commission and the investment income to be earned on such deposit, will be sufficient to pay the principal and redemption premium of and interest on the 2005 and

2007 Bonds to be Refunded on December 15, 2015 and December 1, 2017, respectively (the "Redemption Dates");

**WHEREAS**, the Commission desires to provide instructions to the Escrow Agent relative to the calling of the Bonds to be Refunded for redemption, the payment of the principal and redemption premium of and interest on the Bonds to be Refunded and the investment of the funds placed in escrow for such purposes; and

**WHEREAS**, the Commission and the Escrow Agent desire to enter into this Agreement to provide for the taking of certain actions so as to defease the Bonds to be Refunded and discharge the lien of the Resolution with respect thereto.

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows (capitalized terms used herein and not otherwise defined herein shall have the meaning ascribed to such terms in the Resolution);

**SECTION 1.** (a) There is hereby created and established with the Escrow Agent a special and irrevocable escrow fund designated "Passaic Valley Water Commission 2015 Bonds Escrow Fund" (the "Escrow Fund") to be held by the Escrow Agent as a trust fund for the benefit of the holders of the Bonds to be Refunded. The Escrow Fund shall be held by the Escrow Agent separate and apart from all other funds of the Commission and the Escrow Agent. On the dates when the Bonds to be Refunded are due to be paid, moneys necessary to make such payment will be provided for from the Escrow Fund.

(b) The Escrow Agent hereby certifies that the current outstanding principal amount of the Bonds to be Refunded is \$\_\_\_\_\_ with respect to the 2005 Bonds to be Refunded and \$\_\_\_ with respect to the 2007 Bonds to be Refunded.

**SECTION 2.** (a) The Escrow Agent hereby represents that it currently holds or has received from the Trustee for the Bonds to be Refunded cash or investments in an amount equal to \$\_\_\_\_\_ from the Bond Service Fund established for the Prior Bonds and \$\_\_\_\_\_ \$\_\_\_\_\_ from the Bond Reserve Fund established for the Prior Bonds.

(b) The Escrow Agent hereby acknowledges receipt of a portion of the proceeds of the sale of the 2015 Bonds in the amount of \$\_\_\_\_\_.

**SECTION 3.** The Escrow Agent shall immediately deposit the amount set forth in Section 2 hereof in the Escrow Fund and apply \$\_\_\_\_\_ of such amount to the purchase of the Securities listed in **Exhibit B** attached hereto (the "Defeasance Obligations") and hold the balance in cash. In sole reliance on the verification report of Ferraiolli, Wielkotz, Cerullo & Cuva, P.A., independent certified public accountants (the "Accountants") as described in its verification report attached hereto as **Exhibit D** (the "Verification Report"), the Commission represents that the amounts so deposited in the Escrow Fund, together with the income from the investment thereof to be retained in the Escrow Fund pursuant to this Agreement and uninvested cash, will provide sufficient funds to pay the principal and redemption premium of and interest on the Bonds to be Refunded, as set forth in **Exhibit C** attached hereto.

**SECTION 4.** (a) The Bonds to be Refunded are deemed to have been paid within the meaning of, and for all purposes, of the Resolution by the purchase of the Defeasance Obligations, which mature as to principal and interest in such amounts and at such times together with the cash set aside in the Escrow Fund as will be sufficient to make payment to the holders of the Bonds to be Refunded when due (whether by reason of maturity or upon redemption as provided in the Resolution) of all principal thereof, premium, if any, and interest thereon at the times and in the manner stipulated in the Resolution and in this Agreement (in sole reliance of the parties hereto upon the computations prepared by Raymond James & Company, as verified by the Accountants), as set forth in the Verification Report for deposit in the Escrow Fund, and the Commission having caused to be paid to the Escrow Agent, for application to the Trustee, all sums of moneys due or to become due according to the provisions of the Resolution, the presents and the estate and rights granted in the Resolution to the holders of the Bonds to be Refunded shall cease and terminate. This Agreement shall constitute irrevocable written direction of the Commission to the Escrow Agent to cause the Trustee to cancel and discharge the lien with respect to the Bonds to be Refunded and execute and deliver to the Commission such instruments in writing as the Commission shall request as shall be requisite to cancel and discharge the lien thereof, and reconvey, release, assign and deliver unto the Commission any and all the estate, right, title and interest in and to any and all property conveyed, assigned or pledged to the Trustee or otherwise subject to the lien with respect to the Bonds to be Refunded. Any Bond to be Refunded paid pursuant to this Agreement shall be canceled in accordance with the Resolution.

(b) This Agreement shall constitute the Commission's irrevocable notice and written instructions to the Escrow Agent in its capacity as the Trustee:

(i) stating the date the principal (and premium, if any) of each Bond to be Refunded is to be paid, whether at maturity or on a Redemption Date;

(ii) to give, promptly after the date hereof, a notice of refunding to all bondholders, substantially in the form of **Exhibit E**, attached hereto;

(iii) to give, at least thirty (30) days prior to the Redemption Date, in the manner prescribed by Section 406 of the General Bond Resolution, a notice of redemption, substantially in the form of **Exhibits F-1 and F-2**, attached hereto, in satisfaction of the requirements for such notice as set forth in the Resolution, stating (A) that the Bonds to be Refunded have been called for redemption as described in Section 4(c) hereof, (B) that a deposit has been made with the Escrow Agent and that the Bonds to be Refunded are deemed to have been paid in accordance with Section 1201 of the General Bond Resolution and (C) the date upon which moneys are to be available for the payment of the redemption price of the Bonds to be Refunded; and

(iii) to make due publication of the notice provided for in paragraph (ii) above in the manner provided in Section 803 of the General Bond Resolution. The Escrow Agent shall further cause copies of each such notices of refunding and redemption to be sent by registered mail, certified mail, overnight delivery service (or other similarly secure service acceptable to the



Escrow Agent) to the Municipal Securities Rulemaking Board (the "MSRB") as defined for purposes of Rule 15c2-12(b)(5) as adopted by the Securities and Exchange Commission under the Securities Act of 1934, as the same may be amended from time to time. The notices the MSRB shall be sent at least two (2) business days in advance of the date notices addressed to registered owners are deposited in the United States Mail.

(c) This Agreement shall constitute the Commission's irrevocable written instructions to the Escrow Agent in its capacity as the Trustee, pursuant to Section 403 of the General Bond Resolution to redeem the Bonds to be Refunded, in the manner prescribed, on the Redemption Date at a redemption price equal to 100% of the principal amount of the Bonds to be Refunded.

**SECTION 5.** The Escrow Agent agrees that the amounts deposited in the Escrow Fund pursuant to Section 3 hereof and the interest income to be earned thereon and any other moneys and investments deposited in the Escrow Fund will be held in trust for the benefit of the holders of the Bonds to be Refunded. The Escrow Agent shall apply the principal of and interest on the Defeasance Obligations, together with any other moneys available in the Escrow Fund, to the payment, when due, of the principal, redemption premium, if any, and interest due on the Bonds to be Refunded pursuant to the payment schedule attached as **Exhibit C** hereto. The Escrow Agent shall have no liability for the payment of the principal and redemption premium of and interest on the Bonds to be Refunded pursuant to this Section 5 and the Resolution, except for the application of moneys and obligations available for such purposes in the Escrow Fund. The Escrow Agent shall not be liable for any loss resulting from any investment made in accordance with the provisions of this Agreement.

**SECTION 6.** (a) Except as provided in Sections 3, 4 and 5 hereof, the Escrow Agent shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of or make substitutions of the Defeasance Obligations.

(b) At the written request of the Commission and with the written consent of an Authorized Officer of the Commission, given not less than five (5) days before the date of the action being requested and upon compliance with the conditions hereinafter stated, the Escrow Agent shall sell, transfer or otherwise dispose of or request the redemption of the Defeasance Obligations and shall substitute for such Defeasance Obligations only cash or State Local Government Series obligations ("SLGS") (the "Substitute Defeasance Obligations") which may or may not permit the redemption thereof at the option of the Trustee, but not at the option of the issuer of such Securities. The Commission hereby covenants that it will not authorize or permit the Escrow Agent to use directly or indirectly any part of the moneys or funds at any time in the Escrow Fund to acquire any investment property, the acquisition of which would cause any 2015 Bonds to be "arbitrage bonds" as defined in Section 148(a) of the Code as then in effect. The Trustee shall purchase such Substitute Defeasance Obligations with the proceeds derived from the sale, transfer, disposition or redemption of the Defeasance Obligations. The amounts realized from the disposition of Defeasance Obligations and purchase of Substitute Defeasance Obligations, together with earnings on such Substitute Defeasance Obligations not required by the Trustee to fulfill its obligations under Section 4 hereof as evidenced by the current applicable certified public accountant verification report, shall be retained in the Escrow Fund until the date all prior Bonds to be Refunded have been paid. The disposition and substitution described in this

Section may be effected only if the Commission delivers to the Escrow Agent (i) a certificate of an independent certified public accountant, or similar firm experienced in providing such opinions, stating the amounts realized in the preceding sentence for transfer to the Commission and, then, to the Commission and verifying that the principal amount of the Substitute Defeasance Obligations to be substituted, and the interest income to be earned thereon, will be sufficient without further reinvestment to permit the Escrow Agent to fulfill the obligations set forth under Section 5 hereof, (ii) an unqualified opinion of nationally recognized bond counsel to the effect that the disposition and substitution or purchase of such securities will not (A) affect for Federal income tax purposes the tax-exempt status of interest on the Bonds to Be Refunded and (b) cause the Bonds to Be Refunded to be "arbitrage bonds" within the meaning of Section 148 of the Code and (iii) payment of all costs by the Commission. The Trustee shall incur no liability in complying with the provisions of this Section provided it meets the gross negligence standard of care in the Resolution.

**SECTION 7.** On December 1, 2017, after payment of the principal and redemption premium of and interest on the Bonds to be Refunded, all remaining moneys and securities in the Escrow Fund shall be deposited in the Revenue Fund established under the Resolution and the Escrow Fund shall terminate.

**SECTION 8.** The Escrow Fund created hereby shall be irrevocable and the holders of the Bonds to be Refunded shall have an express lien on and security interest in all amounts deposited in the Escrow Fund, including all amounts representing principal of and interest on the Defeasance Obligations on deposit in the Escrow Fund, until used and applied in accordance herewith. The Escrow Agent and the Commission shall take or caused to be taken all action necessary to preserve the security of the holders of the Bonds to be Refunded and the right, title and interest of the Escrow Agent to all amounts deposited in the Escrow Fund and the principal and interest with respect to the Defeasance Obligations so long as the Escrow Agent holds any amounts in the Escrow Fund. Upon execution of this Agreement, the Commission shall cause to be paid to the Escrow Agent the sum of \$2,500 as a one-time acceptance fee charged by the Escrow Agent for the services to be performed hereunder.

**SECTION 9.** (a) Unless otherwise provided by contract, the Escrow Agent shall be compensated for its reasonable fees, expenses and disbursements, including reasonable legal fees, incurred with respect to services rendered hereunder, based upon itemized invoices submitted to the Commission for payment. This right to receive compensation notwithstanding, the Escrow Agent acknowledges that it has no claim against or lien on the moneys or securities on deposit in the Escrow Fund for any such payment.

(b) The recitals of fact in this Agreement shall be taken as the statements of the Commission, and the Escrow Agent does not assume any responsibility for the correctness of the same. The Escrow Agent shall not be under any obligation or duty to perform any act that would involve it in expense or liability or to institute or defend any suit in respect of this Agreement or to advance any of its own moneys unless properly indemnified to its satisfaction. The Escrow Agent shall not be liable in connection with the performance of its respective duties hereunder, except for its own gross negligence or willful misconduct.

(c) The Escrow Agent shall be entitled to rely and act upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document reasonably believed by it to be genuine, and to have been signed and presented by the proper party or parties, and may consult with counsel, who may or may not be counsel to the Commission, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it in good faith and in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Agreement, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by an authorized officer of the Commission, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Agreement, but in its discretion the Escrow Agent may in lieu thereof accept other evidence of such act or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by the Commission to the Escrow Agent shall be sufficiently executed if executed in the name of the Commission by an authorized officer thereof.

(d) The Commission, subject to the limitation of its liability under the Resolution and applicable New Jersey law, shall indemnify and save harmless the Escrow Agent against any loss, liability or expense, including legal fees, that the Escrow Agent may incur in the exercise and performance of its powers and duties hereunder and that are not due to its own gross negligence or willful misconduct. The indemnification of the Escrow Agent provided for in this Section 10(d) shall survive termination of this Agreement pursuant to Section 11 hereof.

(e) The Escrow Agent may resign at any time and be discharged of its duties hereunder; *provided*, that: (i) it has given not less than sixty (60) days' written notice to the Commission of such resignation; (ii) the Commission has appointed a successor to the Escrow Agent hereunder; (iii) the Escrow Agent has received an instrument of acceptance executed by the successor to the Escrow Agent hereunder; and (iv) the Escrow Agent has delivered to its successor hereunder all of the escrowed documents, Defeasance Obligations and moneys held by the Escrow Agent in the Escrow Fund. Such resignation shall take effect only upon the occurrence of all of the events listed in clauses (i) through (iv) of this Section 10(e) and only if the Escrow Agent has complied with, and is not in default of any of its obligations under, this Agreement, unless the Commission consents to such resignation. Upon receipt by the Commission of the written notice described in clause (i) above, the Commission shall use its best efforts to obtain a successor to the Escrow Agent hereunder as soon as possible.

(f) The Escrow Agent may be removed at any time by the Commission by an instrument in writing signed and acknowledge by the Commission. A copy of such instrument shall be delivered by the Commission to the Escrow Agent at least thirty (30) days prior to the effective date of the removal of such Escrow Agent. Upon such effective date, the Escrow Agent shall deliver to the Escrow Agent's successor (at the direction of the Commission) all documents, instruments and moneys listed in clause (iv) of Section 10(e) hereof.

(g) Any bank that merges with or merges into the Escrow Agent shall be deemed the successor Escrow Agent without any further action hereunder.

**SECTION 10.** Except as provided in Section 10(d) hereof, this Agreement shall terminate when the principal and redemption premium of and interest on all of the Bonds to be Refunded shall have been fully paid; *provided*, that moneys held by the Escrow Agent in the Escrow Fund for the payment and discharge of any of the Bonds to be Refunded that remain unclaimed on a date that is one day prior to the date on which such moneys would otherwise escheat to the state in which the Escrow Agent to the Commission as its absolute property free and clear from the trust and pledge created by this Agreement. The Escrow Agent shall thereupon be released and discharged with respect hereto, and the holders of such Bonds to be Refunded payable from such moneys shall look only to the Commission for the payment of such Bonds to be Refunded.

**SECTION 11.** This Agreement shall not repealed, revoked, rescinded, altered, amended or supplemented in whole or in part without the written consent of the holders of one hundred percent (100%) in aggregate principal amount of the unpaid Bonds to be Refunded at the time such election is made; *provided, however*, that the Commission and the Escrow Agent may, without the consent of or notice to the holders of the unpaid Bonds to be Refunded, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity, formal defect or omission in this Agreement; or
- (b) to grant to or confer upon the Escrow Agent for the benefit of the holders of the Bonds to be Refunded any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Escrow Agent.
- (c) To modify or supplement this Agreement in order to meet the requirements of any rating agency for rating the 2015 Bonds in the highest category.

The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of nationally recognized bond counsel with respect to the matters provided for in this Section 12, including the extent, if any, to which any change, modification, addition or elimination affects the rights of holders of the Bonds to be Refunded or that any instrument executed hereunder complies with the conditions or provisions of this Section 12. Notwithstanding anything in this paragraph to the contrary, no change shall be made to any provision of this Agreement regarding the investment or other use of the proceeds of the 2015 Bonds without an unqualified opinion of nationally recognized bond counsel to the effect that such change, and the investment or other use of the proceeds of the 2015 Bonds in accordance with such change, will not adversely affect the exclusion of interest on the 2015 Bonds from gross income provided under Section 103 of the Code.

**SECTION 12.** This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**IN WITNESS WHEREOF**, the parties hereto have each caused this Agreement to be executed by their duly authorized officers as of the date first above written.

**PASSAIC VALLEY WATER COMMISSION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: President

**MANUFACTURERS AND TRADERS TRUST  
COMPANY, N.A., as Escrow Agent**

By: \_\_\_\_\_  
Name: Brooks Von Arx  
Title: Vice President

Exhibit B

## Exhibit C

Exhibit D



**EXHIBIT B**  
**DEFEASANCE OBLIGATIONS**

**EXHIBIT C**

**STATEMENT OF CASH FLOW**

**EXHIBIT D**

**VERIFICATION REPORT  
SEE ALSO CLOSING ITEM NO.**

## CONTINUING DISCLOSURE AGREEMENT

This CONTINUING DISCLOSURE AGREEMENT ("Agreement"), dated as of \_\_\_\_\_ between the PASSAIC VALLEY WATER COMMISSION (the "Commission"), and MANUFACTURER'S AND TRADER'S TRUST COMPANY, a New York Banking Organization, New York, NY, as Trustee (the "Trustee"), is executed and delivered in connection with the issuance of the Commission's \$\_\_\_\_\_ aggregate principal amount of Water Supply System Revenue Refunding Bonds, Series 2015 (the "Bonds"). The Bonds are being issued pursuant to a Resolution dated May 27, 1992 and entitled "Resolution Authorizing the Issuance of Water Supply System Revenue Bonds of the Passaic Valley Water Commission," as amended and supplemented, including by a Supplemental Resolution adopted by the Commission on \_\_\_\_\_ 2015 and entitled "Series 2015 Supplemental Resolution No. 1 Supplementing the Passaic Valley Water Commission's General Bond Resolution Duly Adopted May 27, 1992, as Amended and Supplemented and Providing for the Issuance and Sale of Not to Exceed \$12,500,000 Principal Amount of Water Supply System Revenue Refunding Bonds, Series 2015 In One or More Series of the Commission and Determining Various Matters Pertaining Thereto", as supplemented on \_\_\_\_\_ and an Award Certificate of the Executive Director executed on \_\_\_\_\_ (together, the "Resolutions"). The Commission and the Trustee covenant and agree as follows for the benefit of the Bondholders (as defined below):

The Commission and the Trustee are entering into this Disclosure Agreement for the benefit of Bondholders. The Commission and the Trustee covenant and agree as follows:

*Section 1. Purpose of the Disclosure Agreement.* This Disclosure Agreement is being executed and delivered by the Commission for the benefit of the Bondholders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the provisions of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934, as the same may be amended from time to time ("Exchange Act"). The Commission is an Obligated Person under the Rule, as hereinafter defined.

*Section 2. Definitions.* In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Commission pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other

intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Bondholder" shall mean any person who is the registered owner of any Bond, including holders of beneficial interests in the Bonds.

"Commission Disclosure Representative" shall mean the Executive Director of the Commission, or its designee, or such other person as the Commission shall designate in writing to the Dissemination Agent from time to time for the purposes of this Disclosure Agreement.

"Continuing Disclosure Information" shall mean: (i) the Annual Report; (ii) any notice required to be filed with the MSRB pursuant to Section 5 hereof; and (iii) any notice of an event required to be filed with the MSRB pursuant to Section 3(c) hereof.

"Dissemination Agent" shall mean the Trustee, or any successor Dissemination Agent designated in writing by the Commission and which has filed with the Commission a written acceptance of such designation.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B (b)(1) of the Exchange Act.

"Participating Underwriter" shall mean the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of New Jersey.

*Section 3. Provision of Annual Reports.*

(a) The Commission shall, or shall cause the Dissemination Agent to, not later than nine (9) months after the end of the Commission's fiscal year, commencing with the Annual Report for the fiscal year ending December 31, 2014, provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Commission may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that

date. If the Commission's fiscal year changes, it shall give notice of such change to the MSRB. Any and all items that must be included in the Annual Report may be incorporated by reference from other information that is available to the public on the MSRB's Internet Web site, or that has been filed with the SEC.

(b) Not later than fifteen (15) Business Days prior to said date, the Commission shall provide the Annual Report to the Dissemination Agent. If the Commission is unable to provide to the Dissemination Agent the Annual Report by the date required in subsection (a), the Dissemination Agent shall, in a timely manner, send a notice to the MSRB in substantially the form attached as Exhibit A, in an electronic format as prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(c) The Dissemination Agent shall file a report with the Commission certifying that the Annual Report has been provided to the MSRB pursuant to this Disclosure Agreement, stating the date it was provided.

*Section 4.* Content of Annual Reports. The Commission's Annual Report shall contain or include by reference the following:

1. The audited financial statements of the Commission for the prior fiscal year, prepared in accordance with generally accepted accounting standards (GAAS) as from time to time in effect, and as prescribed by the Division of Local Government Services in the Department of Community Affairs of the State pursuant to Chapter 5 of Title 40A of the New Jersey Statutes. If the Commission's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3, the Annual Report shall contain unaudited financial statements and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

2. The financial information and operating data set forth in the Official Statement (including Appendices A and B thereto) dated \_\_\_\_, 2015 prepared in connection with the sale of the Bonds, and in the heading entitled "LITIGATION"

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the Commission is an "obligated person" (as defined by the Rule), which have been made available to the public on the MSRB's Internet Web site or filed with the SEC. The Commission shall clearly identify each such other document so incorporated by reference. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

*Section 5.* Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Commission shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or others material events affecting the tax status of the Bonds;
7. modifications to rights of Bondholders, if material;
8. Bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the Bonds, if material;
11. rating changes;
12. bankruptcy, insolvency, receivership or similar events of the Commission, which shall be considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Commission in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Commission, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or

governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Commission;

13. the consummation of a merger, consolidation, or acquisition involving the Commission or the sale of all or substantially all of the assets of the Commission, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) Whenever the Commission or the Dissemination Agent obtains knowledge of the occurrence of a Listed Event described in subsection (a) for which a the disclosure obligation is dependent upon materiality, as such events relate to the Commission, the Commission or the Dissemination Agent shall as soon as possible determine if such event would be material under applicable federal securities laws.

(c) If disclosure of a Listed Event is required, the Commission or the Dissemination Agent shall, in a timely manner not in excess of ten business days after the occurrence of the event, file a notice of such occurrence with the MSRB in an electronic format as prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

Nothing herein shall be deemed to prevent the Commission from disseminating any other information in addition to that required hereby in the manner set forth herein or in any other manner. If the Commission disseminates any such additional information, the Commission shall have no obligation to update such information or include it in any future materials disseminated pursuant to this Agreement.

*Section 6. Termination of Reporting Obligation.* The Commission's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

*Section 7. Dissemination Agent.* The Commission may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Commission pursuant to this Disclosure Agreement. The initial Dissemination Agent shall be the Trustee.

*Section 8. Amendment; Waiver.* Notwithstanding any other provision of this Disclosure Agreement, the Commission and the Trustee may amend this Disclosure



Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3 or 4, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Bondholders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Commission shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Commission. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

*Section 9. Additional Information.* Nothing in this Disclosure Agreement shall be deemed to prevent the Commission from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, in addition to that which is required by this Disclosure Agreement. If the Commission chooses to include any information in any Annual Report in addition to that which is specifically required by this Disclosure Agreement, the Commission shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report.

*Section 10. Default.* In the event of a failure of the Commission to comply with any provision of this Disclosure Agreement any Bondholder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Commission to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default on the Bonds, and the sole remedy

under this Disclosure Agreement in the event of any failure of the Commission to comply with this Disclosure Agreement shall be an action to compel performance.

*Section 11.* Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Commission agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Commission under this Section 11 shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

*Section 12.* Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Commission, the Dissemination Agent, the Participating Underwriter and the Bondholders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

*Section 13.* Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.

*Section 14.* Severability. In case any one or more of the provisions of this Disclosure Agreement shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Agreement, but this Disclosure Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

*Section 15.* This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[SEAL]

PASSAIC VALLEY  
WATER COMMISSION

Attest:

\_\_\_\_\_  
Secretary

By: \_\_\_\_\_  
Joseph A. Bella, Executive Director

[SEAL]

MANUFACTURERS AND TRADERS  
TRUST COMPANY, N.A., Trustee

Attest:

\_\_\_\_\_

By: \_\_\_\_\_  
Brooks Von Arx, Jr., Vice President

[Continuing Disclosure Agreement Signature Page]

**Exhibit A**

**NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT**

Name of Commission: Passaic Valley Water Commission

Name of Bond Issue: \$\_\_\_\_\_ Water Supply System Revenue Refunding Bonds,  
Series 2015

Date of Issuance: \_\_\_\_\_, 2015

NOTICE IS HEREBY GIVEN that the Commission has not provided an Annual Report with respect to the above-named Bonds as required by the Resolution. The Commission anticipates that the Annual Report will be filed by

\_\_\_\_\_.

Dated: \_\_\_\_\_

DISSEMINATION AGENT

\_\_\_\_\_

**EXHIBIT E  
NOTICE OF REFUNDING**

**PASSAIC VALLEY WATER COMMISSION**

Notice is hereby given to the holders of the following bonds of the Passaic Valley Water Commission (the "Commission"):

**PASSAIC VALLEY WATER COMMISSION,  
WATER SUPPLY SYSTEM REVENUE REFUNDING BONDS, SERIES 2005**

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>Call Date</u>	<u>Call Price</u>	<u>CUSIP</u>
12/15/2016	3.600%	655,000	12/15/2015	100%	702845FE3
12/15/2017	3.800%	685,000	12/15/2015	100%	702845FF0
12/15/2018	3.900%	715,000	12/15/2015	100%	702845FG8
12/15/2019	4.000%	740,000	12/15/2015	100%	702845FH6
12/15/2020	4.000%	775,000	12/15/2015	100%	702845FJ2
12/15/2021	4.100%	800,000	12/15/2015	100%	702845FK9
12/15/2022	4.125%	840,000	12/15/2015	100%	702845FL7
12/15/2023	4.200%	370,000	12/15/2015	100%	702845FM5
12/15/2024	4.200%	380,000	12/15/2015	100%	702845FN3
12/15/2025	4.250%	400,000	12/15/2015	100%	702845FP8
12/15/2026	4.250%	420,000	12/15/2015	100%	702845FQ6
<b>Total</b>		<b>\$6,780,000</b>			

**PASSAIC VALLEY WATER COMMISSION,  
WATER SUPPLY SYSTEM REVENUE BONDS, SERIES 2007C**

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>Call Date</u>	<u>Call Price</u>	<u>CUSIP</u>
12/0/2018	4.000%	350,000	12/1/2017	100%	702845GD4
12/0/2019	4.000%	365,000	12/1/2017	100%	702845GE2
12/0/2020	4.000%	380,000	12/1/2017	100%	702845GF9
12/0/2021	4.000%	395,000	12/1/2017	100%	702845GG7
12/0/2022	4.100%	410,000	12/1/2017	100%	702845GH5
12/0/2027	5.000%	2,350,000	12/1/2017	100%	702845GN2
<b>Total</b>		<b>\$4,250,000</b>			

There has been deposited with Manufacturers and Traders Trust Company, N.A., New Jersey, as escrow agent (the "Escrow Agent"), moneys and direct non-callable obligations of the United States of America or non-callable obligations the principal of and interest on which are unconditionally guaranteed by the United State of America (the "Government Obligations") the principal and interest on which, together with the moneys deposited with the Escrow Agent, are sufficient to pay when due the principal and of and the interest due and to become due on the Refunded Bonds on and prior to December 15, 2015 in the case of the Series 2005 Bonds and

December 1, 2017 in the case of the Series 2007 Bonds, the dates which the Refunded Bonds will be optionally redeemed at the respective Redemption Prices thereof.

Manufacturers and Traders Trust  
Company, N.A,

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT F-1  
NOTICE OF REDEMPTION**

**PASSAIC VALLEY WATER COMMISSION,  
WATER SUPPLY SYSTEM REVENUE REFUNDING BONDS, SERIES 2005**

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>Call Date</u>	<u>Call Price</u>	<u>CUSIP</u>
12/15/2016	3.600%	655,000	12/15/2015	100%	702845FE3
12/15/2017	3.800%	685,000	12/15/2015	100%	702845FF0
12/15/2018	3.900%	715,000	12/15/2015	100%	702845FG8
12/15/2019	4.000%	740,000	12/15/2015	100%	702845FH6
12/15/2020	4.000%	775,000	12/15/2015	100%	702845FJ2
12/15/2021	4.100%	800,000	12/15/2015	100%	702845FK9
12/15/2022	4.125%	840,000	12/15/2015	100%	702845FL7
12/15/2023	4.200%	370,000	12/15/2015	100%	702845FM5
12/15/2024	4.200%	380,000	12/15/2015	100%	702845FN3
12/15/2025	4.250%	400,000	12/15/2015	100%	702845FP8
12/15/2026	4.250%	420,000	12/15/2015	100%	702845FQ6

**NOTICE IS HEREBY GIVEN** to the holders of the above-referenced bonds (the "Bonds") that (A) the Bonds have been called for redemption on December 15, 2015 (the "Redemption Date"), at a redemption price of 100% of the principal amount thereof (the "Redemption Price"), plus interest accrued to the Redemption Date and (B) there has been deposited with Manufacturers and Traders Trust Company, N.A., New York, NY as Escrow Agent (the "Escrow Agent") moneys and investment securities the principal of and interest on which, when due, will provide moneys which will be sufficient to pay the Redemption Price, plus accrued interest on the Redemption Date. The Bonds are deemed to have been paid in accordance with Section 1201 of the Commission's General Bond Resolution, dated as of May 27, 1992.

You are hereby notified that the Bonds should be presented for redemption at the offices of Manufacturers and Traders Trust Company, N.A (the "Paying Agent"), New York, NY on or immediately prior to the Redemption Date. On the Redemption Date, the Bonds will become due and payable at the Redemption Price stated above, plus interest accrued to the Redemption Date, and interest on the Bonds shall cease to accrue and be payable from and after the Redemption Date.

No representation is made as to the correctness or accuracy of the CUSIP Numbers, either as printed on the Bonds or as contained in this Notice of Redemption. Reliance may only be placed on the identification numbers printed herein or on the Bonds.

**PASSAIC VALLEY WATER COMMISSION**

By: Manufacturers and Traders Trust Company, N.A,  
as Escrow Agent

Dated: \_\_\_\_\_ r \_\_, 2015

Special Tax Notice: Under certain circumstances, under Federal law, payments to bondholders may be subject to "backup withholding" at a rate equal to the fourth lowest rate of tax applicable under Section 1(c) of the Code. This withholding generally applies if the owner (i) fails to furnish such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnishes to the payor an incorrect TIN, (iii) fails to properly report interest, dividends or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalties of perjury, that the TIN is correct and that such holder of the Bonds is not subject to backup withholding. Owners of the Bonds should consult their own tax advisors as to their qualification for backup withholding and the procedures for exemption.

**EXHIBIT F-2  
NOTICE OF REDEMPTION**

**PASSAIC VALLEY WATER COMMISSION,  
WATER SUPPLY SYSTEM REVENUE BONDS, SERIES 2007C**

**PASSAIC VALLEY WATER COMMISSION,  
WATER SUPPLY SYSTEM REVENUE BONDS, SERIES 2007C**

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>Call Date</u>	<u>Call Price</u>	<u>CUSIP</u>
12/0/2018	4.000%	350,000	12/1/2017	100%	702845GD4
12/0/2019	4.000%	365,000	12/1/2017	100%	702845GE2
12/0/2020	4.000%	380,000	12/1/2017	100%	702845GF9
12/0/2021	4.000%	395,000	12/1/2017	100%	702845GG7
12/0/2022	4.100%	410,000	12/1/2017	100%	702845GH5
12/0/2027	5.000%	2,350,000	12/1/2017	100%	702845GN2

**NOTICE IS HEREBY GIVEN** to the holders of the above-referenced bonds (the "Bonds") that (A) the Bonds have been called for redemption on December 1, 2017 (the "Redemption Date"), at a redemption price of 100% of the principal amount thereof (the "Redemption Price"), plus interest accrued to the Redemption Date and (B) there has been deposited with Manufacturers and Traders Trust Company, N.A., New York, New York, as Escrow Agent (the "Escrow Agent") moneys and investment securities the principal of and interest on which, when due, will provide moneys which will be sufficient to pay the Redemption Price, plus accrued interest on the Redemption Date. The Bonds are deemed to have been paid in accordance with Section 1201 of the Commission's General Bond Resolution, dated as of May 27, 1992.

You are hereby notified that the Bonds should be presented for redemption at the offices of Manufacturers and Traders Trust Company, N.A (the "Paying Agent"), New York, New York, on or immediately prior to the Redemption Date. On the Redemption Date, the Bonds will become due and payable at the Redemption Price stated above, plus interest accrued to the Redemption Date, and interest on the Bonds shall cease to accrue and be payable from and after the Redemption Date.

No representation is made as to the correctness or accuracy of the CUSIP Numbers, either as printed on the Bonds or as contained in this Notice of Redemption. Reliance may only be placed on the identification numbers printed herein or on the Bonds.

**PASSAIC VALLEY WATER COMMISSION**

By: Manufacturers and Traders Trust Company, N.A,  
as Escrow Agent

Dated: \_\_\_\_, 2017

Special Tax Notice: Under certain circumstances, under Federal law, payments to bondholders may be subject to "backup withholding" at a rate equal to the fourth lowest rate of tax applicable under Section 1(c) of the Code. This withholding generally applies if the owner (i) fails to furnish such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnishes to the payor an incorrect TIN, (iii) fails to properly report interest, dividends or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalties of perjury, that the TIN is correct and that such holder of the Bonds is not subject to backup withholding. Owners of the Bonds should consult their own tax advisors as to their qualification for backup withholding and the procedures for exemption.



**Resolution #15-83  
RESOLUTION OF PASSAIC VALLEY WATER COMMISSION  
TO ENTER INTO A SECOND AMENDED ADMINISTRATIVE  
CONSENT ORDER (2<sup>nd</sup> AACO) FOR THE WATER STORAGE  
IMPROVEMENT PROJECT-PHASE 1 & 2**

**DATE OF ADOPTION: JULY 15, 2105**

Approved as to form and legality by Law Department on the basis of facts set forth by Executive Director, Purchasing, and Finance Departments.

Introduced by Commissioner: **KOLODZIEJ**

Seconded by Commissioner: **GRADDY**

**WHEREAS**, the Second Amended Administrative Consent Order was issued by NJDEP on June 24, 2015 (the "2<sup>nd</sup> AACO") for the Water Storage Improvement Project (the "Project"); and

**WHEREAS**, a copy of a memorandum from the Executive Director and the Director of Engineering dated July 6, 2015 recommending that the Commission authorize and approve entering into the 2<sup>nd</sup> AACO, along with a copy of the 2<sup>nd</sup> AACO, are attached hereto and made a part hereof as Exhibit A; and

**WHEREAS**, the Commission; and General Counsel (as to form and legality); have reviewed the above-referenced memorandum and the 2<sup>nd</sup> AACO and concur with the Executive Director and Director of Engineering's recommendation to enter into the 2<sup>nd</sup> AACO; and

**WHEREAS**, a copy of the 2<sup>nd</sup> AACO issued by NJDEP, along with this Resolution, are also on file in the office of the Administrative Secretary and available for inspection;

**NOW, THEREFORE, BE IT RESOLVED**, by Passaic Valley Water Commission, in the County of Passaic, New Jersey;

1. That PVWC hereby authorizes and approves entering into the 2<sup>nd</sup> AACO for the Project; and
2. That the appropriate officers of PVWC, on behalf of PVWC, are hereby authorized and directed to execute the 2<sup>nd</sup> AACO and the

Secretary of PVWC to attest to the 2<sup>nd</sup> AACO, and such other officers, employees and officials of PVWC are hereby authorized to perform such acts and execute such documents as are necessary to implement the terms and intentions of this Resolution, and

3. That this matter shall be advertised as required by New Jersey law, in accordance with an appropriate form of notice, and a copy of this Resolution and 2<sup>nd</sup> AACO shall be placed on file and made available for inspection at the office of the Administrative Secretary of Passaic Valley Water Commission.

**RECORD OF COMMISSION VOTE ON FINAL PASSAGE**

	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>*SANCHEZ, R.</b>	<u>  X  </u>	_____	_____	_____
<b>LEVINE, J.</b>	_____	_____	<u>  X  </u>	_____
<b>GRADDY, R.</b>	<u>  X  </u>	_____	_____	_____
<b>KOLODZIEJ, G.</b>	<u>  X  </u>	_____	_____	_____
<b>BAZIAN M.</b>	<u>  X  </u>	_____	_____	_____
<b>DE VITA, T.</b>	<u>  X  </u>	_____	_____	_____
<b>CLEAVES, C.</b>	_____	_____	_____	<u>  X  </u>

Adopted at a meeting of Passaic Valley Water Commission.

\_\_\_\_\_  
**President Pro-Tem**  
**RIGO SANCHEZ**

  
 \_\_\_\_\_  
**Secretary**  
**THOMAS P. DE VITA**

**This Resolution, when adopted, must remain in the custody of the Administrative Secretary.**

- **VOTED LAST AS PRESIDENT PRO-TEM**

**CERTIFICATION**

I, LOUIS AMODIO, Administrative Secretary of the Passaic Valley Water Commission in the County of Passaic, and the State of New Jersey do hereby certify that the foregoing Resolution is a true copy of a legal quorum of the Original Resolution duly passed and adopted by a majority of the full membership of the Passaic Valley Water Commission at its meeting of July 15, 2015.

  
 \_\_\_\_\_  
**LOUIS AMODIO**  
**Administrative Secretary**

**PASSAIC VALLEY WATER COMMISSION**

**RESOLUTION OF PASSAIC VALLEY WATER COMMISSION  
TO ENTER INTO THE SECOND AMENDED ADMINISTRATIVE  
CONSENT ORDER (2<sup>nd</sup> AACO) FOR THE WATER STORAGE IMPROVEMENT  
PROJECT-PHASE 1 & 2**

**EXECUTIVE DIRECTOR AND DIRECTOR OF ENGINEERING'S  
MEMORANDUM DATED JULY 6, 2015 AND  
THE 2<sup>nd</sup> AACO ISSUED BY NJDEP JUNE 24, 2015**

**EXHIBIT A**

**PASSAIC VALLEY WATER COMMISSION  
INTEROFFICE MEMORANDUM**

Date: July 6, 2015

To: Hon. Commissioners

From: J. Bella & J. Duprey

cc: G. Hanley  
L. Amodio  
L. Beckering

Re: Second Amended Administrative Consent Order (2<sup>nd</sup> AACO)  
Issued by NJDEP June 24, 2015 for Phase 1 and 2 of the Water  
Storage Improvement Project

Attached is a copy of the 2<sup>nd</sup> AACO (issued by NJDEP June 22, 2015 for Phase 1 and 2 of the water storage improvement project) that was previously distributed to the Commission.

It is recommended that, subject to review and approval by the Law Department, the Commission authorize and approve entering into the 2<sup>nd</sup> AACO.

Enclosure

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IN THE MATTER OF  
PASSAIC VALLEY WATER COMMISSION

SECOND AMENDED  
ADMINISTRATIVE CONSENT ORDER

EA ID # NEA150001 – 1605002

This Second Amended Administrative Consent Order (Second ACO) is entered into pursuant to the authority vested in the Commissioner of the New Jersey Department of Environmental Protection (Department or DEP) by N.J.S.A. 13:1D-1 et seq., and the New Jersey Safe Drinking Water Act, N.J.S.A. 58:12A-1 et seq., and duly delegated to the Chief of the Northern Bureau of Water Compliance and Enforcement pursuant to N.J.S.A. 13:1B-4.

#### FINDINGS

1. The Passaic Valley Water Commission (PVWC) owns and operates a public community water system (system), as defined by N.J.A.C. 7:10-1.3, Public Water System Identification No. 1605002, located in the Cities of Paterson, Passaic and Clifton and the Borough of Prospect Park, Passaic County, New Jersey.
2. The New Jersey Safe Drinking Water Act regulations, specifically N.J.A.C. 7:10-5.1, adopt in total, with specific limited exceptions, the most current National Primary Drinking Water Regulations at 40 CFR 141. Subpart W of the National Primary Drinking Water Regulations, Enhanced Treatment for Cryptosporidium, 40 CFR 141.714, requires that systems must meet the conditions of paragraph (c)(1) or (c)(2) of this section for each uncovered finished water storage facility or be in compliance with a State-approved schedule to meet these conditions no later than April 1, 2009. CFR 141.714(c)(1) requires that systems must cover any uncovered finished water storage facility. 40 CFR 141.714(c)(2) requires that systems must treat the discharge from the uncovered finished water storage facility to the distribution system to achieve inactivation and/or removal of at least 4-log virus, 3-log *Giardia lamblia*, and 2-log *Cryptosporidium* using a protocol approved by the State, such as a combination of ultraviolet disinfection and chlorination.
3. PVWC owns and operates three (3) uncovered finished water storage facilities within its system.

4. PVWC could not meet the requirements of 40 CFR 141.714 (c)(1) and (c)(2) on or before April 1, 2009 and executed an Administrative Consent Order (ACO) with the Department on March 30, 2009 in order to be in compliance with a State-approved schedule to meet the conditions of paragraph (c)(1) or (c)(2) of 40 CFR 141.714 for each uncovered finished water storage facility.
  5. The ACO required PVWC to execute a contract with a consultant to conduct a feasibility study examining, at a minimum, elimination of the existing uncovered finished water storage facilities and/or covering of the existing uncovered finished water storage facilities, and submit a final report detailing the results of the feasibility study. The feasibility study report (Report) was required to include at least one recommendation to achieve compliance for each of the existing uncovered finished water storage facilities. If more than one recommendation was presented, a preferred recommendation was required to be identified for each option presented. Each recommendation was to identify the benefits and potential limitations of that recommendation and include an estimated cost.
  6. On September 10, 2009, PVWC submitted its Report, entitled "Passaic Valley Water Commission Water Storage Improvements Feasibility Study." The Report proposed that PVWC would implement Alternative 7C; specifically PVWC would eliminate the existing three (3) uncovered finished water reservoirs (Reservoirs) and replace them with storage tanks of sufficient capacity to support operational needs and PVWC would also provide improved auxiliary power capabilities to establish an improved and resilient infrastructure. After making revisions required by the Department, PVWC submitted its Final Report.
  7. On August 24, 2012, the Department conditionally approved PVWC's Final Report.
  8. The approved portions of the Final Report include the following major components (Project):
    - a. Installation of two (2) 2.5 million gallon (MG) prestressed concrete storage tanks for a total of 5 MG of storage at the site of the Levine Reservoir, piping modifications, construction of a parking area and access drive and appropriate stormwater facilities.
    - b. Installation of two (2) 15 MG prestressed concrete tanks for a total of 30 million gallons of storage at the site of the New Street Reservoir, demolition of the existing dam, construction of an access road, piping modifications and appropriate stormwater facilities.
    - c. Expansion of pumping capacity of the Great Notch Pump Station by six (6) million gallons per day (MGD) by adding a third pump, to a total firm capacity of 12 MGD.
    - d. Installation of a new pump station in the area of the New Street Reservoir site to enable conveyance of 8 MGD of finished water to the (proposed, but not yet approved) Great Notch Tanks.
    - e. Installation of an additional 2 MG of storage tank at the existing Verona Storage Tank (Verona Tank) site in Verona Township, Essex County.
    - f. Installation of auxiliary backup power involving four 2,500 kW generators, enabling 81 MGD of production, and construction of a new generator and switchgear building at PVWC's Little Falls Water Treatment Plant (LFWTP).
-

9. On July 3, 2013, PVWC and the Department executed an Amended Administrative Consent Order (AACO), a copy of which is attached to and made a part hereof, requiring PVWC to permit and construct the authorized improvements in the Final Report for the LFWTP, Verona Tank and Levine Reservoir portions of the Project. After Levine Reservoir improvements were completed, PVWC was required to start permitting and construction of New Street Reservoir improvements. Four phases of corrosion control treatment improvements were also required.
10. PVWC submitted required permitting and funding documents for the LFWTP and Verona Tank portions of the AACO on June 30, 2014.
11. PVWC completed the first phase of corrosion control treatment improvement required by the AACO on December 30, 2013 and the second phase of corrosion control treatment improvement required by the AACO on December 29, 2014. The third phase of corrosion control treatment improvement required by the AACO was tied to completion of Reservoir improvements.
12. By letters dated June 24, 2014 and October 1, 2014, PVWC received schedule extensions for the Levine Reservoir portions of the AACO.
13. PVWC hosted three public meetings on the Levine Reservoir portion of the Project in the Fall of 2014. PVWC and the Department have determined that additional public education and public participation is desirable at this time.
14. By letter dated March 3, 2015, PVWC submitted a schedule for public participation activities for the Levine Reservoir portion of the Project.
15. Based on the facts set forth in these FINDINGS, the Department has determined that PVWC will violate the Safe Drinking Water Act, N.J.S.A. 58:12A-1 *et seq.*, and the regulations promulgated pursuant thereto, specifically N.J.A.C. 7:10-5.1 *et seq.*
16. In order to resolve this matter without trial or adjudication, PVWC has agreed to entry of this Second ACO and to be bound by its terms and conditions.

## ORDER

### A. ENFORCEMENT COMPLIANCE SCHEDULE

17. PVWC shall take whatever actions are necessary to achieve and maintain compliance with N.J.A.C. 7:10-5.1 and 40 CFR 141.714 and to optimize corrosion control treatment, including but not limited to the following:

#### A. Little Falls Water Treatment Plant (LFWTP) and Verona Tank improvements

- i. Within one hundred-eighty (180) calendar days of PVWC's receipt of all required permits and funding approvals, PVWC shall advertise for bids for individual construction contracts for the LFWTP improvements and Verona Tank portions of the Project.

ii. Within two hundred-seventy (270) calendar days of PVWC's receipt of all required permits and funding approvals, PVWC shall award individual construction contracts for the LFWTP improvements and Verona Tank portions of the Project.

iii. Within sixty (60) calendar days of PVWC's awarding of individual construction contracts for the LFWTP improvements and Verona Tank portions of the Project, PVWC shall initiate construction.

iv. Within three hundred-sixty-five (365) calendar days of the start of construction, PVWC shall substantially complete construction of the Verona Tank portion of the Project.

v. Within seven hundred-thirty (730) calendar days of the start of construction, PVWC shall substantially complete construction of the LFWTP improvements.

#### **B. Levine Reservoir improvements**

The use of funding from the New Jersey Environmental Infrastructure Trust/Clean Water State Revolving Fund triggers the requirement for review under Section 106 of the National Historic Preservation Act. Any PVWC undertakings that are funded through this program will require review under Section 106. Pursuant to the 1990 Programmatic Agreement between the Environmental Protection Agency (EPA), Advisory Council on Historic Preservation, and the National Conference of State Historic Preservation Officers for the EPA's State Water Pollution Control Revolving Fund Program, the New Jersey Department of Environmental Protection, Division of Water Quality, Municipal Finance and Construction Element will act as the lead federal agency for these Section 106 reviews.

The proposed work (Levine Reservoir improvements as approved in the July 3, 2013 AACO) at the Levine Reservoir will also require the submission of an Application for Project Authorization pursuant to the New Jersey Register of Historic Places as the reservoir is considered a contributing resource within the New Jersey Register of Historic Places listed Great Falls of Paterson/S.U.M. Historic District. Proposed work (Levine Reservoir improvements proposed to be made in a manner different from that approved in the July 3, 2013 AACO) may also require the submission of an Application for Project Authorization (Application) pursuant to the New Jersey Register of Historic Places. Any work proposed to be conducted at the Levine Reservoir site or inside of the Great Falls Historic District will require the submission of an Application for Project Authorization pursuant to the New Jersey Register of Historic Places. If the Project is determined to be in conformance with the *Secretary of the Interior's Standards for the Treatment of Historic Properties* upon receipt of a technically and professionally complete and sufficient Application, the Application will be administratively approved. If the Project is determined to constitute an encroachment upon the historic district, the Project must be reviewed by the New Jersey Historic Sites Council (HSC) at one of its regularly scheduled bi-monthly meetings. The HSC findings are then forwarded to the DEP Commissioner who takes the final action.

i. On or before July 31, 2015, PVWC shall award a consulting contract for public outreach and public participation services.



ii. On or before February 15, 2016, PVWC shall identify its proposal for making improvements to the Levine Reservoir as follows:

1. *If PVWC determines that Levine Reservoir improvements will be made in the manner approved in the July 3, 2013 AACO:*

a. On or before February 15, 2016, PVWC shall submit design documents and all required permit applications for the Levine Reservoir portion of the Project.

b. Within one hundred-eighty (180) calendar days of PVWC's receipt of all required permits and funding approvals, PVWC shall advertise for bids for the construction contract for the Levine Reservoir portion of the Project.

c. Within two hundred-seventy (270) calendar days of PVWC's receipt of all required permits and funding approvals, PVWC shall award a construction contract for the Levine Reservoir portion of the Project.

d. Within sixty (60) calendar days of PVWC's awarding of a construction contract for the Levine Reservoir portion of the Project, PVWC shall initiate construction.

e. Within seven hundred-thirty (730) calendar days of the start of construction, PVWC shall substantially complete construction of the Levine Reservoir portion of the Project.

2. *If PVWC determines that Levine Reservoir improvements will be made in a manner different from that approved in the July 3, 2013 AACO:*

a. On or before February 15, 2016, PVWC shall identify its new proposal for the Levine Reservoir portion of the Project (alternative(s)) and provide a proposed schedule of Project activities for the Department's review and approval. This schedule shall include additional corrosion control activities if practicable.

b. PVWC agrees to execute an amendment of this Second ACO which shall include the design and construction of the alternative(s) recommended in order for PVWC to achieve compliance with N.J.A.C. 7:10-5.1 and 40 CFR 141.714 for its Levine Reservoir, public outreach and public participation services related to the New Street Reservoir aspects of the Project, or other actions agreed to between the Department and PVWC. The amendment of this Second ACO shall be executed by all parties within a reasonable amount of time, as determined by the Department. If progress towards amending this Second ACO does not occur, or the Second ACO is not amended within a reasonable amount of time, the Department intends to take additional enforcement action in order to bring about compliance with N.J.A.C. 7:10-5.1 and 40 CFR 141.714.

### **C. New Street Reservoir improvements**

i. On or before June 1, 2016, PVWC shall award a consulting contract for public outreach and public participation services (New Street public outreach and participation consultant).

ii. On or before September 1, 2016, PVWC shall award a consulting contract for the design and permitting required for the New Street Reservoir portion of the Project (New Street design consultant). The New Street design consultant will provide technical assistance and support to the New Street public outreach and participation consultant.

iii. On or before January 1, 2018, PVWC shall identify its proposed improvements for the New Street Reservoir portion of the Project. If PVWC determines that New Street Reservoir improvements will be made in a manner different from that approved in the July 3, 2013 AACO, PVWC shall, with its submission, provide a proposed schedule of Project activities for the Department's review and approval. This schedule shall include additional corrosion control activities.

1. If PVWC determines that New Street Reservoir improvements will be made in the manner approved in the July 3, 2013 AACO:

a. On or before January 1, 2019, PVWC shall submit design documents and all required permit applications for the New Street Reservoir portion of the Project.

b. Within one hundred-eighty (180) calendar days of PVWC's receipt of all required permits, PVWC shall advertise for bids for a construction contract for the New Street Reservoir portion of the Project.

c. Within two hundred-seventy (270) calendar days of PVWC's receipt of all required permits, PVWC shall award a construction contract for the New Street Reservoir portion of the Project.

d. Within sixty (60) calendar days of PVWC's awarding of a construction contract for the New Street Reservoir portion of the Project, PVWC shall initiate construction.

e. Within nine hundred-ten (910) calendar days of the start of construction, PVWC shall substantially complete construction of the New Street Reservoir portion of the Project.

2. If PVWC determines that New Street Reservoir improvements will be made in a manner different from that approved in the July 3, 2013 AACO:

a. PVWC agrees to execute an amendment of this Second ACO which shall include the design and construction of the alternative(s) recommended in order for PVWC to achieve compliance with N.J.A.C. 7:10-5.1 and 40 CFR 141.714 for its New Street Reservoirs, or other actions agreed to between the Department and PVWC. The amendment of this Second ACO shall be executed by all parties within a reasonable amount of time, as determined by the

Department. If progress towards amending this Second ACO does not occur, or the Second ACO is not amended within a reasonable amount of time, the Department intends to take additional enforcement action in order to bring about compliance with N.J.A.C. 7:10-5.1 and 40 CFR 141.714.

**D. Corrosion Control improvements if BOTH Levine Reservoir and New Street Reservoir improvements are made in the manner approved in the July 3, 2013 AACO:**

1. PVWC's third phase of corrosion control will include the addition of corrosion inhibitor into the piping network that will include the newly constructed Levine Reservoir tanks. This corrosion control system will replace the system at the Botany Pumping Station constructed under the first phase and will increase the corrosion served area to portions of northern Paterson City, and the Boroughs of Fair Lawn and Elmwood Park. This third phase of corrosion control shall be designed, permitted, constructed and placed in service concurrently with the construction of the New Street Reservoir tanks' portion of the Project as indicated in Paragraph 17.C.1 of this Second ACO. Note that these corrosion control facilities cannot be placed into service until the New Street Reservoir is taken out of service because water is transferred on a regular basis into the New Street gradient. It is anticipated that the New Street Reservoir will be taken out of service, and the corrosion control facilities placed on line, about one-third of the way through the New Street construction period.

2. The fourth phase of corrosion control will include the addition of corrosion inhibitor into the piping network that will include the newly constructed New Street Reservoir tanks. This new corrosion control addition will effectively complete the corrosion inhibitor coverage throughout PVWC's system and specifically in Paterson City, Prospect Park Borough and sections of the Cities of Clifton and Passaic. This fourth phase of corrosion control shall be designed, permitted, constructed and placed in service concurrently with the construction of the New Street Reservoir tanks' portion of the Project as indicated in Paragraph 17.C.1 of this Second ACO.

Note that all of the aforementioned corrosion inhibitor feed stations will be eliminated and replaced with one central facility located at the Little Falls Water Treatment Plant once the Great Notch Reservoir portion of the Project is completed and all the open finished water reservoirs are eliminated.

18. Public education for lead (format below) must be continued within 60 days after the end of the monitoring period in which lead monitoring occurs in accordance with 40 CFR 141.85(b)(4). Public education information shall be delivered as follows:

1. Deliver printed educational materials to all bill paying customers;
2. Deliver educational material to local public health agencies even if they are not located within the water system's service area;
3. Contact the local public health agencies directly by phone or in person;
4. Deliver printed education material and an informational notice encouraging distribution to the following facilities located within the water system's service area:  
Public and private schools or school boards

- Women, Infants, and Children and Head Start Programs
  - Public and private hospitals and medical clinics,
  - Pediatricians
  - Family planning clinics
  - Local welfare agencies
  - Licensed childcare centers
  - Public and private preschools
  - Obstetricians-Gynecologists and Midwives
5. Provide required message on or in each water bill (no less often than quarterly);
  6. Post educational material on the water system's website;
  7. Submit a press release to newspaper, television, and radio stations;
  8. Implement at least three of the following activities:
    - Public service announcements
    - Public meetings
    - Paid advertisements
    - Household deliveries
    - Public area information displays
    - Targeted individual customer contact
    - Emails to customers
    - Direct material distribution to all multi-family homes and institutions

PVWC shall submit proof that public education materials, meeting the content requirements in 40 CFR 141.85(a) and the delivery requirements in 40 CFR 141.85(b), were provided to the persons served by your water system in accordance with 40 CFR 141.90(f). A public education certification form must also be completed and submitted upon implementation of the public education requirements.

19. PVWC shall continue to include the following statement in its annual Consumer Confidence Reports (CCR). The CCR is a brief annual water quality report required by 40 CFR 141 Subpart O which summarizes information regarding source, detected contaminants, compliance, and educational information:

"Water systems with uncovered finished water reservoirs are required to eliminate or cover these reservoirs, treat the discharge from these reservoirs, or be in compliance with a state-approved schedule to eliminate or cover the reservoirs or provide treatment by April 1, 2009. We have executed an Administrative Consent Order with the New Jersey Department of Environmental Protection wherein PVWC is required to implement a schedule to eliminate, cover or provide treatment for our uncovered reservoirs."

PVWC shall provide proof of provision and publication to the Department.

20. PVWC agrees to execute an amendment of this Second ACO which shall include the design and construction of the alternative(s) recommended in order for PVWC to achieve compliance with N.J.A.C. 7:10-5.1 and 40 CFR 141.714 for its Great Notch Reservoir, or other actions agreed to between the Department and PVWC. The amendment of this Second ACO shall be executed by all parties within a reasonable amount of time, as determined by the Department. If

progress towards amending this Second ACO does not occur, or the Second ACO is not amended within a reasonable amount of time, the Department intends to take additional enforcement action in order to bring about compliance with N.J.A.C. 7:10-5.1 and 40 CFR 141.714.

21. If PVWC is not able to achieve compliance by taking the above actions, PVWC is responsible for taking whatever additional actions are necessary in order to comply with all applicable federal, state and local permits as well as all applicable statutes, codes, rules, regulations and orders, including but not limited to the statutes and regulations cited herein.

#### B. PROGRESS REPORTS

22. PVWC shall continue to submit quarterly progress reports to the Department, at the addresses listed in paragraph thirty-seven (37). The quarters shall be January to March, April to June, July to September, and October to December of each calendar year. Each progress report shall be submitted no later than the last day of the month following the end of the quarter being reported, except when such day falls on a holiday or a weekend, in which case the progress report shall be submitted on the next available business day. Each progress report shall explain the status of PVWC's compliance with this Second ACO and shall include, but not be limited to, the following:

- a. identification of site and reference to this Second ACO;
- b. status of permitting and planning approvals and any work at the site and progress to date;
- c. difficulties or problems encountered during reporting period and actions taken to rectify;
- d. activities planned for the next reporting period;
- e. required and actual completion date for each item required by this Second ACO;
- f. an explanation of any non-compliance with the compliance schedule; and
- g. evaluation of all corrective measures implemented to date.

#### C. STIPULATED PENALTIES

23. PVWC shall pay stipulated penalties to the Department, as set forth below, upon the Department's written demand, for PVWC's failure to comply with the Enforcement Compliance Schedule provisions of this Second ACO and/or the progress report submission deadlines of this Second ACO unless the Department has notified PVWC in writing that a stipulated penalty will not be assessed for violations of the Enforcement Compliance Schedule pursuant to the force majeure provisions of this Second ACO.

- a. For all violations of the Enforcement Compliance Schedule set forth in paragraph seventeen (17) of this Second ACO:

##### Calendar Days After Due Date

1<sup>st</sup> through 7<sup>th</sup> calendar  
day of failure to comply  
with the schedule

##### Stipulated Penalties

\$100 per calendar day

8 <sup>th</sup> through 14 <sup>th</sup> day	\$200 per calendar day
15 <sup>th</sup> day and beyond	\$500 per calendar day

b. For all violations of the progress report submission deadlines:

<u>Days Past Compliance Date</u>	<u>Stipulated Penalties</u>
Each calendar day that PVWC fails to submit a report	\$50 per calendar day

24. Within sixty (60) calendar days after PVWC's receipt of written demands from the Department for stipulated penalties, PVWC shall submit payment by suitable financial instrument, made payable to "Treasurer, State of New Jersey" in the amount of the stipulated penalties demanded by the Department pursuant to paragraph twenty-three (23) above. Payment shall be mailed with the bottom portion of the Penalty Invoice Form supplied with the written demand. Payment shall be made to the following address:

New Jersey Department of Treasury  
Division of Revenue  
P.O. Box 417  
Trenton, New Jersey 08646-0417

25. If PVWC fails to pay stipulated penalties pursuant to the preceding paragraphs, the Department may take action to collect same, including, but not limited to, instituting civil proceedings to collect such penalties pursuant to R. 4:67 and R. 4:70, or assess civil administrative penalties for violations of this ACO.

26. The payment of stipulated penalties does not alter PVWC's responsibility to complete all requirements of this Second ACO.

#### D. FORCE MAJEURE

27. If any event occurs which PVWC believes will or may cause delay in the achievement of the compliance schedule provisions of this Second ACO, PVWC shall notify the Department in writing or by email sent to the addresses indicated in paragraph thirty-seven (37) below, within 7 calendar days of becoming aware of the delay or anticipated delay, as appropriate. In the notification, PVWC shall reference this paragraph, describe the anticipated length of the delay, the precise cause or causes of the delay, and any measures taken or to be taken to minimize the delay. PVWC shall take all necessary action to prevent or minimize any such delay.

28. The Department may adjust the deadlines in the Enforcement Compliance Schedule of this Second ACO for a period no longer than the delay if the Department finds that:

a. PVWC has complied with the notice requirements of the preceding paragraph;

- b. any delay or anticipated delay has been or will be caused by fire, flood, riot, strike, or other circumstances beyond the control of PVWC; and
- c. PVWC has taken all necessary actions to prevent or minimize the delay.

29. If the Department denies PVWC's force majeure request, PVWC may be subject to stipulated penalties and other civil and/or administrative enforcement actions. The burden of proving that it complied with the preceding paragraphs shall rest with PVWC. The burden of proving that any delay is caused by circumstances beyond the control of PVWC and the length of any such delay attributable to those circumstances shall rest with PVWC. Increases in the cost or expenses incurred by PVWC in fulfilling the requirements of this Second ACO shall not be a basis for an extension of time. Delay in an interim requirement shall not automatically justify or excuse delay in the attainment of subsequent requirements. Contractor's breach shall not automatically constitute force majeure. No force majeure adjustments will be granted for failure to timely submit progress reports.

#### E. GENERAL PROVISIONS

30. Nothing contained in this Second ACO restricts the ability of the Department to raise the above Findings in any other proceeding, specifically including, but not limited to, proceedings pursuant to N.J.S.A. 13:1E-126 et seq., (commonly referred to as A-901).
31. This Second ACO settles and resolves only the violation noted above, and is not a settlement of any other action rising from those violations. Nothing in this Second ACO shall resolve or preclude prosecution of criminal actions against PVWC, if any.
32. This Second ACO shall be binding on PVWC, its agents, successors, assigns, and any trustee in bankruptcy or receiver appointed pursuant to a proceeding in law or equity. Additionally, this Second ACO shall be binding on any PVWC officials, employees, principals, directors, and officers to the extent that any such individual is a responsible corporate official within the meaning of N.J.S.A. 58:10A-31.
33. This Second ACO shall be fully enforceable as a final Administrative Order in the New Jersey Superior Court.
34. PVWC agrees not to contest the terms or conditions of this Second ACO except that PVWC may contest the Department's interpretation or application of such terms or conditions in any action brought by the Department to enforce this Second ACO's provisions.
35. This Second ACO shall not relieve PVWC from obtaining and complying with all applicable federal, state and local permits as well as all applicable statutes, codes, rule, regulations and orders, including but not limited to the statutes and regulations cited herein. Any mandated change to the approved project concept, as described in the conceptual design document, will be considered beyond the control of PVWC and will be cause for amending this Second ACO.
36. The obligations and penalties of this Second ACO are imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and the protection of public health,

safety, welfare and the environment and are not intended to constitute debt(s) which may be limited or discharged in a bankruptcy proceeding.

37. Unless otherwise specifically provided herein, PVWC shall submit all documents required by this Second ACO, except penalty payments, to the Department by certified mail or express mail service, return receipt requested, or by hand delivery with an acknowledgment of receipt form for the Department's signature, or by email with a request for acknowledgement of receipt, to:

Richard T. Paull, Chief  
Northern Bureau of Water  
Compliance and Enforcement  
7 Ridgedale Ave.  
Cedar Knolls, N. J. 07927

E-mail: rich.paull@dep.nj.gov

and

Karen Fell, Assistant Director  
Water Supply Operations Element  
Water Supply and Geoscience  
Mail Code: 401-04Q  
P. O. Box 420  
401 East State Street  
Trenton, N. J. 08625

E-Mail: karen.fell@dep.nj.gov

The date the Northern Bureau of Water Compliance and Enforcement receives the documents or executes the acknowledgment will be the date the Department uses to determine PVWC's compliance with this Second ACO.

38. Unless otherwise specifically provided herein, any communication made by the Department to PVWC pursuant to this Second ACO shall be sent to:

Joseph Bella, Executive Director  
Passaic Valley Water Commission  
1525 Main Ave.  
Clifton, N. J. 07011

with a copy to

George T. Hanley, Esq.  
Law Department

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Passaic Valley Water Commission  
1525 Main Ave.  
Clifton, N. J. 07011

39. PVWC shall not construe any unwritten or informal advice, guidance, suggestions, or comments by the Department, or by persons acting on behalf of the Department, as relieving PVWC of its obligations under this Second ACO, the New Jersey Safe Drinking Water regulations, and/or the New Jersey Safe Drinking Water Act.
  40. In addition to the Department's statutory and regulatory rights to enter and inspect, PVWC shall allow the Department and its authorized representatives access to the site at all times for the purpose of determining compliance with this Second ACO.
  41. Nothing in this ACO shall preclude the Department from taking enforcement action against PVWC for matters not set forth in the findings of this Second ACO.
  42. No obligations or penalties imposed by this Second ACO are intended to constitute debt(s) which may be limited or discharged in a bankruptcy proceeding. All obligations and penalties are imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and the protection of public health, safety, welfare and the environment.
  43. PVWC shall give written notice of this Second ACO to any successor in interest thirty (30) calendar days prior to transfer of ownership or control of the facility or facilities which are the subject of this Second ACO and shall simultaneously notify the Department that such notice has been given. This requirement shall be in addition to any other statutory or regulatory requirements arising from the transfer of ownership or control of PVWC's facility. In addition, the parties agree that any contract, lease, deed or any other agreement that PVWC enters into to convey the property/facility that is the subject of this Second ACO shall include a provision which states that the successor, assignee, tenant or purchaser has agreed to assume the obligations imposed by this Second ACO.
  44. The Department reserves all statutory and common law rights to require PVWC to take additional action(s) if the Department determines that such actions are necessary to protect public health, safety, welfare and the environment. Nothing in this Second ACO shall constitute a waiver of any statutory or common law right of the Department to require such additional measures should the Department determine that such measures are necessary.
  45. Performance of the terms of this Second ACO by PVWC is not conditioned in any way on the receipt by PVWC of any federal or state funds, except as it may impact the schedule for Phase 1.
  46. PVWC shall perform all work required by this Second ACO in accordance with prevailing professional standards.
  47. This Second ACO shall be governed and interpreted under the laws of the State of New Jersey.
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48. If any provision of this Second ACO is found invalid or unenforceable, the remainder of this Second ACO shall not be affected thereby and each provision shall be valid and enforced to the fullest extent permitted by law. The Department does, however, retain the right to terminate the remainder of this Second ACO if, after such finding, it determines that the remaining Second ACO does not serve the purpose for which it was intended.

49. This Second ACO represents the entire integrated agreement between the Department and PVWC on the matters contained herein.

50. The Department reserves the right to unilaterally terminate this Second ACO in the event PVWC violates its terms and to take any additional enforcement action it deems necessary.

51. This Second ACO shall terminate upon receipt by PVWC of written notice from the Department that all the requirements of this Second ACO have been satisfied. Termination of this Second ACO shall not relieve PVWC of any liabilities for unpaid penalties as previously demanded by the Department pursuant to the terms and conditions of this Second ACO, nor shall it affect in any way the Department's rights and abilities to collect said unpaid penalties.

52. This Second ACO shall become effective upon the execution hereof by all parties.

New Jersey Department of  
Environmental Protection

DATE: \_\_\_\_\_ BY: \_\_\_\_\_

Richard T. Paull, Chief  
Northern Bureau of Water  
Compliance and Enforcement

Passaic Valley Water Commission

DATED: \_\_\_\_\_ BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

By this signature, I certify that I have full authority to execute this document on behalf of the Passaic Valley Water Commission

**RESOLUTION #15-84**  
**RESOLUTION OF PASSAIC VALLEY WATER COMMISSION**  
**DATE OF ADOPTION: JULY 15, 2015**

Approved as to form and legality by Law Department on basis of facts set forth by Executive Director, Purchasing, Engineering and Finance Departments.

Introduced by Commissioner: **KOLODZIEJ**

Seconded by Commissioner: **DE VITA**

**WHEREAS**, on June 16, 2015 three (3) bids were received by Passaic Valley Water Commission ("PVWC") for Contract No. 15-B-13 "Corrosion Inhibitor"; and

**WHEREAS**, the lowest responsible bid submitted for this Contract was that of Shannon Chemical Corporation of Exton Pennsylvania (the "Awardee") with respect to said bid, based on the estimated quantity of 70,000 pounds, in the amount of \$300,300.00; and

**WHEREAS**, said bids have been reviewed by the Executive Director, Director of Engineering, and the Director of Purchasing, (and Counsel as to form and legality); and

**WHEREAS**, the Local Public Contracts Law provides for the awarding of the Contract upon receipt of bids and qualifications of bidders therefor; and

**WHEREAS**, PVWC's Comptroller has certified, with respect hereto, that funds are currently available for said purpose and said certificate is attached hereto;

**NOW, THEREFORE, BE IT RESOLVED**, by Passaic Valley Water Commission, in the County of Passaic, New Jersey:

1. That Contract No. 15-B-13 "Corrosion Inhibitor" in the total amount of \$300,300.00 in connection with the above described goods and services is hereby awarded to the Awardee.
2. That the appropriate officers of the Commission are hereby authorized to execute the Contract; and implement the terms of

said Contract in accordance with this Resolution and the submissions provided in connection therewith, with respect to solicitation for bids made in connection with Contract 15-B-13 as set forth hereinabove.

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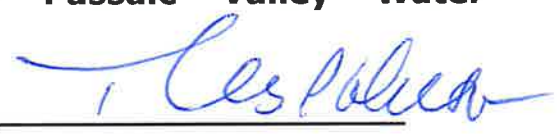
**RECORD OF COMMISSION VOTE ON FINAL PASSAGE**

	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>*SANCHEZ, R.</b>	<u>X</u>	---	---	---
<b>LEVINE, J.</b>	<u>X</u>	---	---	---
<b>GRADDY, R.</b>	<u>X</u>	---	---	---
<b>KOLODZIEJ, G.</b>	<u>X</u>	---	---	---
<b>BAZIAN M.</b>	<u>X</u>	---	---	---
<b>DE VITA, T.</b>	<u>X</u>	---	---	---
<b>CLEAVES, C.</b>	---	---	---	<u>X</u>

Adopted at a meeting of Passaic Valley Water Commission.

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**President Pro-Tem  
RIGO SANCHEZ**



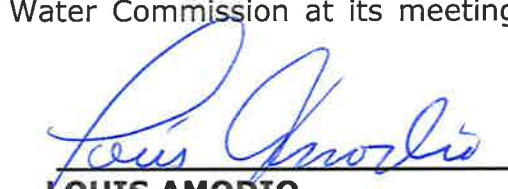

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**Secretary  
THOMAS P. DE VITA**

**This Resolution, when adopted, must remain in the custody of the Administrative Secretary.  
\*VOTED LAST AS PRESIDENT PRO-TEM**

**CERTIFICATION**

I, LOUIS AMODIO, Administrative Secretary of the Passaic Valley Water Commission in the County of Passaic, and the State of New Jersey do hereby certify that the foregoing Resolution is a true copy of a legal quorum of the Original Resolution duly passed and adopted by a majority of the full membership of the Passaic Valley Water Commission at its meeting of July 15, 2015.




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**LOUIS AMODIO  
Administrative Secretary**

PASSAIC VALLEY WATER COMMISSION

INTER-OFFICE MEMO

DATE: June 16, 2015

FROM: Purchasing Department

TO: Joseph A. Bella  
George T. Hanley  
Yitzchak Weiss

RE: **Contract # 15-B-13**  
**Corrosion Inhibitor**

The Purchasing Department has reviewed the above stated Contract for required documents, affirmative action requirements, and the Contract proposal tabulations. The Finance Department has certified the availability of funds (see attached).

Of the three (3) bids received, the lowest responsive and responsible proposal was submitted by **Shannon Chemical Corporation**, of Exton, Pennsylvania, in the amount of **\$300,300.00**.

Respectfully submitted,



Linda Beckering  
Purchasing Agent

cc: L. Amodio  
J. Duprey ✓

# OFFICE OF THE COMPTROLLER

## CERTIFICATION OF AVAILABILITY OF FUNDS

It is hereby certified that subject to Commission approval of future Budgets, with respect to multi-budget year contracts, there are or will be sufficient available funds for expenditures to be incurred as result of any contract or commitment to be entered into by Passaic Valley Water Commission as follows:

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Description of Project or Contract: **15-B-13 - Shannon Chemical Corporation**

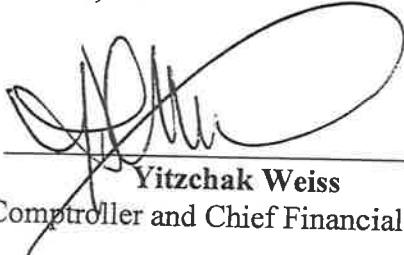
Amount of Project or Contract: \$ 300,300.00

1. Acct: # 001-1002-421-70-11 Purchases / Chemicals

Specific Appropriation to which expenditures will be charged: Budget 2015/2016/2017

Other comments: Two (2) Year Contract Commencing: July 2015  
Corrosion Inhibitor

Date of Certification: 06/16/2015 Certified: \$ 300,300.00

  
\_\_\_\_\_  
Yitzchak Weiss  
Comptroller and Chief Financial Officer

YW:lb

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Contract 15-B-13  
Corrosion Inhibitor

Bids Received: June 16, 2015

BIDDERS	BID DEPOSIT CC- Certified Check CA- Cashier's Check BB- Bid Bond	TOTAL AMOUNT OF CONTRACT	REMARKS
Shannon Chemical Corporation 311 Commerce Drive Exrtion, Pennsylvania 19341 <a href="mailto:shanchem@shannonchem.com">shanchem@shannonchem.com</a>	<input type="checkbox"/> Certified Check <input checked="" type="checkbox"/> Cashier's Check 10% Bid Bond Not to Exceed \$20,000.00	\$4.29/gallon \$300,300.00	<input checked="" type="checkbox"/> Business Registration Cert. <input checked="" type="checkbox"/> PVWC Consent of Surety <input type="checkbox"/> Other Consent of Surety <input type="checkbox"/> Public Works Cont. Cert.
Carus Corporation 316 5th Street Peru, Illinois 61354 <a href="mailto:samantha.pumo@caruscorporation.com">samantha.pumo@caruscorporation.com</a>	<input type="checkbox"/> Certified Check <input type="checkbox"/> Cashier's Check 10% Bid Bond Not to Exceed \$20,000.00	\$5.175/gallon \$362,250.00	<input checked="" type="checkbox"/> Business Registration Cert. <input checked="" type="checkbox"/> PVWC Consent of Surety <input type="checkbox"/> Other Consent of Surety <input type="checkbox"/> Public Works Cont. Cert.
Aqua Smart, Inc. 4445 Commerce Drive, SW A-4 Atlanta, Georgia 30336 <a href="mailto:don@aquasmartinc.com">don@aquasmartinc.com</a>	<input type="checkbox"/> Certified Check <input type="checkbox"/> Cashier's Check <input type="checkbox"/> Bid Bond Not to Exceed \$		<input type="checkbox"/> Business Registration Cert. <input type="checkbox"/> PVWC Consent of Surety <input type="checkbox"/> Other Consent of Surety <input type="checkbox"/> Public Works Cont. Cert.
George S. Coyne Chemical Co., Inc. 3015 State Road Croydon, Pennsylvania 19021 <a href="mailto:pgriffith@coynechemical.com">pgriffith@coynechemical.com</a>	<input type="checkbox"/> Certified Check <input type="checkbox"/> Cashier's Check 10% Bid Bond Not to Exceed \$20,000.00	\$6.391/gallon \$447,370.00	<input checked="" type="checkbox"/> Business Registration Cert. <input checked="" type="checkbox"/> PVWC Consent of Surety <input type="checkbox"/> Other Consent of Surety <input type="checkbox"/> Public Works Cont. Cert.
	<input type="checkbox"/> Certified Check <input type="checkbox"/> Cashier's Check <input type="checkbox"/> Bid Bond Not to Exceed \$		<input type="checkbox"/> Business Registration Cert. <input type="checkbox"/> PVWC Consent of Surety <input type="checkbox"/> Other Consent of Surety <input type="checkbox"/> Public Works Cont. Cert.

**RESOLUTION #15-85**  
**RESOLUTION OF PASSAIC VALLEY WATER COMMISSION**  
**DATE OF ADOPTION: JULY 15-2015**

Approved as to form and legality by Law Department on basis of facts set forth by Executive Director, Purchasing, Engineering and Finance Departments.

Introduced by Commissioner: **KOLODZIEJ**

Seconded by Commissioner: **DE VITA**

**WHEREAS**, on June 30, 2015 three (3) bids were received by Passaic Valley Water Commission ("PVWC") for Contract No. 15-B-31 "Water Main Cleaning and Lining"; and

**WHEREAS**, the lowest responsible bid submitted for this Contract was that of J. Fletcher Creamer and Son, Inc. of Hackensack, New Jersey (the "Awardee") with respect to said bid in the amount of \$2,328,943.76; and

**WHEREAS**, said bids have been reviewed by the Executive Director, Director of Engineering, and the Director of Purchasing, (and Counsel as to form and legality); and

**WHEREAS**, the Local Public Contracts Law provides for the awarding of the Contract upon receipt of bids and qualifications of bidders therefor; and

**WHEREAS**, PVWC's Comptroller has certified, with respect hereto, that funds are currently available for said purpose and said certificate is attached hereto;

**NOW, THEREFORE, BE IT RESOLVED**, by Passaic Valley Water Commission, in the County of Passaic, New Jersey:

1. That Contract No. 15-B-31 "Water Main Cleaning and Lining" in the total amount of \$2,328,943.76 in connection with the above described goods and services is hereby awarded to the Awardee.
2. That the appropriate officers of the Commission are hereby authorized to execute the Contract; and implement the terms of




said Contract in accordance with this Resolution and the submissions provided in connection therewith, with respect to solicitation for bids made in connection with Contract 15-B-31 as set forth hereinabove.

**RECORD OF COMMISSION VOTE ON FINAL PASSAGE**

	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>*SANCHEZ, R.</b>	<u>X</u>	---	---	---
<b>LEVINE, J.</b>	<u>X</u>	---	---	---
<b>GRADDY, R.</b>	<u>X</u>	---	---	---
<b>KOLODZIEJ, G.</b>	<u>X</u>	---	---	---
<b>BAZIAN M.</b>	<u>X</u>	---	---	---
<b>DE VITA, T.</b>	<u>X</u>	---	---	---
<b>CLEAVES, C.</b>	---	---	---	<u>X</u>

**Adopted at a meeting of Passaic Valley Water Commission.**

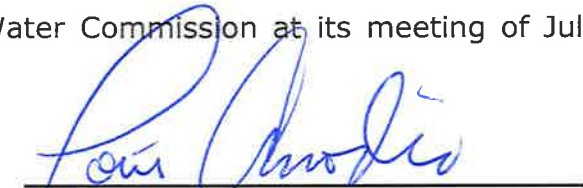
\_\_\_\_\_  
**President Pro-tem**  
**RIGO SANCHEZ**

  
 \_\_\_\_\_  
**Secretary**  
**THOMAS P. DE VITA**

**This Resolution, when adopted, must remain in the custody of the Administrative Secretary.**  
**\*VOTED LAST AS PRESIDENT PRO-TEM**

**CERTIFICATION**

I, LOUIS AMODIO, Administrative Secretary of the Passaic Valley Water Commission in the County of Passaic, and the State of New Jersey do hereby certify that the foregoing Resolution is a true copy of a legal quorum of the Original Resolution duly passed and adopted by a majority of the full membership of the Passaic Valley Water Commission at its meeting of July 15, 2015.

  
 \_\_\_\_\_  
**LOUIS AMODIO**  
**Administrative Secretary**

PASSAIC VALLEY WATER COMMISSION

INTER-OFFICE MEMO

DATE: July 1, 2015

FROM: Purchasing Department  
TO: Joseph A. Bella  
George T. Hanley  
Yitzchak Weiss  
RE: **Contract # 15-B-31**  
**Water Main Cleaning and Lining**

The Purchasing Department has reviewed the above stated Contract for required documents, affirmative action requirements, and the Contract proposal tabulations. The Finance Department has certified the availability of funds (see attached).

Of the three (3) bids received, the lowest responsive and responsible proposal was submitted by **J. Fletcher Creamer and Son, Inc.**, of Hackensack, New Jersey, in the amount of **\$2,328,943.76**.

Respectfully submitted,

  
Linda Beckering  
Purchasing Agent

cc: L. Amodio  
J. Duprey ✓

Contract # 15-B-31  
Water Main Cleaning Lining

Bids Received: June 30, 2015

BIDDERS	BID DEPOSIT CC- Certified Check CA- Cashier's Check BB- Bid Bond	TOTAL AMOUNT OF CONTRACT	REMARKS
Mainlining America, LLC 555 Pound Road Elma, New York 14059 <a href="mailto:tbentley@mainlining.com">tbentley@mainlining.com</a>	<input type="checkbox"/> Certified Check <input type="checkbox"/> Cashier's Check <input type="checkbox"/> Bid Bond <input type="checkbox"/> Not to Exceed \$		<input type="checkbox"/> Business Registration Cert. <input type="checkbox"/> PVWC Consent of Surety <input type="checkbox"/> Other Consent of Surety <input type="checkbox"/> Public Works Cont. Cert.
J. Fletcher Creamer & Son, Inc. 101 East Broadway Hackensack, New Jersey 07601 <a href="mailto:wvalentini@jfcson.com">wvalentini@jfcson.com</a>	<input type="checkbox"/> Certified Check <input type="checkbox"/> Cashier's Check <input checked="" type="checkbox"/> 10% Bid Bond <input type="checkbox"/> Not to Exceed \$20,000.00	\$2,328,943.76	<input checked="" type="checkbox"/> Business Registration Cert. <input checked="" type="checkbox"/> PVWC Consent of Surety <input type="checkbox"/> Other Consent of Surety <input checked="" type="checkbox"/> Public Works Cont. Cert.
Metra Industries, Inc. 50 Muller Place Little Falls, New Jersey 07424 <a href="mailto:sdioslaki@metraindustries.com">sdioslaki@metraindustries.com</a>	<input type="checkbox"/> Certified Check <input type="checkbox"/> Cashier's Check <input checked="" type="checkbox"/> 10% Bid Bond <input type="checkbox"/> Not to Exceed \$20,000.00	\$3,074,100.00	<input checked="" type="checkbox"/> Business Registration Cert. <input checked="" type="checkbox"/> PVWC Consent of Surety <input type="checkbox"/> Other Consent of Surety <input checked="" type="checkbox"/> Public Works Cont. Cert.
Dewcon, Inc. 10 Forbes Court Basking Ridge, New Jersey 07920 <a href="mailto:rdewey@dewconinc.com">rdewey@dewconinc.com</a>	<input type="checkbox"/> Certified Check <input type="checkbox"/> Cashier's Check <input checked="" type="checkbox"/> 10% Bid Bond <input type="checkbox"/> Not to Exceed \$20,000.00	\$2,654,100.00	<input checked="" type="checkbox"/> Business Registration Cert. <input checked="" type="checkbox"/> PVWC Consent of Surety <input type="checkbox"/> Other Consent of Surety <input checked="" type="checkbox"/> Public Works Cont. Cert.
	<input type="checkbox"/> Certified Check <input type="checkbox"/> Cashier's Check <input type="checkbox"/> Bid Bond <input type="checkbox"/> Not to Exceed \$		<input type="checkbox"/> Business Registration Cert. <input type="checkbox"/> PVWC Consent of Surety <input type="checkbox"/> Other Consent of Surety <input type="checkbox"/> Public Works Cont. Cert.

**RESOLUTION # 15-86**  
**RESOLUTION OF PASSAIC VALLEY WATER COMMISSION**  
**DATE OF ADOPTION: JULY 15, 2015**

Approved as to form and legality by Law Department on basis of facts set forth by Executive Director, Purchasing, Engineering and Finance Departments.

Introduced by Commissioner: **KOLODZIEJ**

Seconded by Commissioner: **DE VITA**

**WHEREAS**, on June 16, 2015 three (3) bids were received by Passaic Valley Water Commission ("PVWC") for Contract No. 15-B-34 "Filter Bay Exhaust Fan Replacement"; and

**WHEREAS**, the lowest responsible bid submitted for this Contract was that of C Dougherty & Company, Inc. of Paterson, New Jersey (the "Awardee") with respect to said bid in the amount of \$74,000.00; and

**WHEREAS**, said bids have been reviewed by the Executive Director, Director of Engineering, and the Director of Purchasing, (and Counsel as to form and legality); and

**WHEREAS**, the Local Public Contracts Law provides for the awarding of the Contract upon receipt of bids and qualifications of bidders therefor; and

**WHEREAS**, PVWC's Comptroller has certified, with respect hereto, that funds are currently available for said purpose and said certificate is attached hereto;

**NOW, THEREFORE, BE IT RESOLVED**, by Passaic Valley Water Commission, in the County of Passaic, New Jersey:

1. That Contract No. 15-B-34 "Filter Bay Exhaust Fan Replacement" in the total amount of \$74,000.00 in connection with the above described goods and services is hereby awarded to the Awardee.
2. That the appropriate officers of the Commission are hereby authorized to execute the Contract; and implement the terms of

said Contract in accordance with this Resolution and the submissions provided in connection therewith, with respect to solicitation for bids made in connection with Contract 15-B-34 as set forth hereinabove.

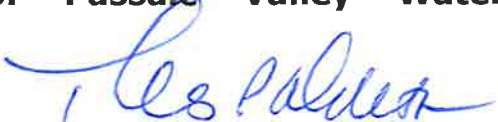
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**RECORD OF COMMISSION VOTE ON FINAL PASSAGE**

	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>*SANCHEZ, R.</b>	<u>  X  </u>	_____	_____	_____
<b>LEVINE, J.</b>	<u>  X  </u>	_____	_____	_____
<b>GRADDY, R.</b>	<u>  X  </u>	_____	_____	_____
<b>KOLODZIEJ, G.</b>	<u>  X  </u>	_____	_____	_____
<b>BAZIAN M.</b>	<u>  X  </u>	_____	_____	_____
<b>DE VITA, T.</b>	<u>  X  </u>	_____	_____	_____
<b>CLEAVES, C.</b>	_____	_____	_____	<u>  X  </u>

**Adopted at a meeting of Passaic Valley Water Commission.**

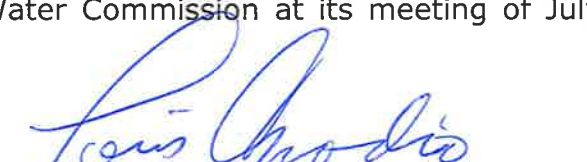
\_\_\_\_\_  
**President Pro-tem**  
**RIGO SANCHEZ**

  
 \_\_\_\_\_  
**Secretary**  
**THOMAS P. DE VITA**

**This Resolution, when adopted, must remain in the custody of the Administrative Secretary.**  
**\*VOTED LAST AS PRESIDENT PRO-TEM**

**CERTIFICATION**

I, LOUIS AMODIO, Administrative Secretary of the Passaic Valley Water Commission in the County of Passaic, and the State of New Jersey do hereby certify that the foregoing Resolution is a true copy of a legal quorum of the Original Resolution duly passed and adopted by a majority of the full membership of the Passaic Valley Water Commission at its meeting of July 15, 2015.

  
 \_\_\_\_\_  
**LOUIS AMODIO**  
**Administrative Secretary**

PASSAIC VALLEY WATER COMMISSION

INTER-OFFICE MEMO

DATE: June 16, 2015

FROM: Purchasing Department

TO: Joseph A. Bella  
George T. Hanley  
Yitzchak Weiss

RE: **Contract # 15-B-34**  
**Filter Bay Exhaust Fan Replacement**

The Purchasing Department has reviewed the above stated Contract for required documents, affirmative action requirements, and the Contract proposal tabulations. The Finance Department has certified the availability of funds (see attached).

Of the three (3) bids received, the lowest responsive and responsible proposal was submitted by **C. Dougherty & Company, Inc.**, of Paterson, New Jersey, in the amount of **\$74,000.00**.

Respectfully submitted,



Linda Beckering  
Purchasing Agent

cc: L. Amodio  
J. Duprey ✓

# OFFICE OF THE COMPTROLLER

## CERTIFICATION OF AVAILABILITY OF FUNDS

It is hereby certified that subject to Commission approval of future Budgets, with respect to multi-budget year contracts, there are or will be sufficient available funds for expenditures to be incurred as result of any contract or commitment to be entered into by Passaic Valley Water Commission as follows:

---

Description of Project or Contract: **15-B-34 - C. Dougherty & Company, Inc.**


Amount of Project or Contract: \$ 74,000.00

1. Acct: # 001-0901-419-95-30 Capital / Misc. Upgrades

Specific Appropriation to which expenditures will be charged: Capital Budget 2015/2016

Other comments: Six (6) Month Contract Commencing: July 2015  
Filter Bay Exhaust Fan Replacement

Date of Certification: 06/16/2015 Certified: \$ 74,000.00

  
\_\_\_\_\_  
**Yitzchak Weiss**  
Comptroller and Chief Financial Officer

YW:lb

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Contract 15-B-34  
Filter Bay Exhaust Fan Replacement

Bids Received: June 16, 2015

BIDDERS	BID DEPOSIT CC- Certified Check CA- Cashier's Check BB- Bid Bond	TOTAL AMOUNT OF CONTRACT	REMARKS
Powers Service Company, Inc. 59 Village Park Road Cedar Grove, New Jersey 07009 <a href="mailto:tom@powersservice.com">tom@powersservice.com</a>	<input type="checkbox"/> Certified Check <input checked="" type="checkbox"/> Cashier's Check 10 Bid Bond Not to Exceed \$20,000.00	\$60,882.00 - Lump Sum \$75,882.00 - Total	<input checked="" type="checkbox"/> Business Registration Cert. <input checked="" type="checkbox"/> PWWC Consent of Surety <input type="checkbox"/> Other Consent of Surety <input type="checkbox"/> Public Works Cont. Cert.
Air Purifiers, Inc. 1 Pine Street Rockaway, New Jersey 07856 <a href="mailto:lydia@airpurifiersinc.com">lydia@airpurifiersinc.com</a>	<input type="checkbox"/> Certified Check <input type="checkbox"/> Cashier's Check 10% Bid Bond Not to Exceed \$	\$60,000.00 - Lump Sum \$75,000.00 - Total	<input checked="" type="checkbox"/> Business Registration Cert. <input checked="" type="checkbox"/> PWWC Consent of Surety <input checked="" type="checkbox"/> Other Consent of Surety <input type="checkbox"/> Public Works Cont. Cert.
C. Dougherty & Company, Inc. 7 Washington Avenue Paterson, New Jersey 07503 <a href="mailto:cdoughertyco@yahoo.com">cdoughertyco@yahoo.com</a>	<input type="checkbox"/> Certified Check <input type="checkbox"/> Cashier's Check 10% Bid Bond Not to Exceed \$20,000.00	\$59,000.00 - Lump Sum \$74,000.00 - Total	<input checked="" type="checkbox"/> Business Registration Cert. <input checked="" type="checkbox"/> PWWC Consent of Surety <input type="checkbox"/> Other Consent of Surety <input checked="" type="checkbox"/> Public Works Cont. Cert.
	<input type="checkbox"/> Certified Check <input type="checkbox"/> Cashier's Check Bid Bond Not to Exceed \$		<input type="checkbox"/> Business Registration Cert. <input type="checkbox"/> PWWC Consent of Surety <input type="checkbox"/> Other Consent of Surety <input type="checkbox"/> Public Works Cont. Cert.
	<input type="checkbox"/> Certified Check <input type="checkbox"/> Cashier's Check Bid Bond Not to Exceed \$		<input type="checkbox"/> Business Registration Cert. <input type="checkbox"/> PWWC Consent of Surety <input type="checkbox"/> Other Consent of Surety <input type="checkbox"/> Public Works Cont. Cert.



**RESOLUTION #15-87**  
**RESOLUTION OF PASSAIC VALLEY WATER COMMISSION**  
**DATE OF ADOPTION: JULY 15, 2015**

Approved as to form and legality by Law Department on basis of facts set forth by Executive Director, Purchasing, Engineering and Finance Departments.

Introduced by Commissioner: **KOLODZIEJ**

Seconded by Commissioner: **DE VITA**

**WHEREAS,** notwithstanding solicitation of bids to potential bidders, only one (1) bid was received by Passaic Valley Water Commission ("PVWC") on June 30, 2015 for Contract 15-B-35 "Furnish and Deliver Dump Truck"; and

**WHEREAS,** said bid has been reviewed by the Executive Director, Director of Engineering, Director of Purchasing, ( and General Counsel as to form and legality); and

**WHEREAS,** in accordance with the Specifications and the Invitation to Bidders provided with respect to the above-referenced contract, the Commission has retained the authority, *inter alia*, to reject the one bid received and thereafter to re-bid the said contract in accordance with the Local Public Contracts Law; and

**WHEREAS,** the Commissioners of PVWC have considered the recommendations of PVWC's Law Department, Director of Engineering, and Executive Director and have determined that it is appropriate and in the best interest of PVWC, its users and constituent municipalities, to adopt same as its act;

**NOW, THEREFORE, BE IT RESOLVED,** by Passaic Valley Water Commission, in the County of Passaic, New Jersey:

1. That the single bid received by PVWC on June 30, 2015, with respect to the Contract is hereby rejected; and
2. That the appropriate officials and employees of the Commission be and are hereby directed to solicit new bids for Contract 15-B-35 "Furnish and Deliver Dump Truck" in

accordance with these findings and applicable law, and to perform such acts and execute such documents as are necessary to implement the terms and intentions of this Resolution as set forth hereinabove.

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**RECORD OF COMMISSION VOTE ON FINAL PASSAGE**

	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>*SANCHEZ, R.</b>	<u><b>X</b></u>	---	---	---
<b>LEVINE, J.</b>	<u><b>X</b></u>	---	---	---
<b>GRADDY, R.</b>	<u><b>X</b></u>	---	---	---
<b>KOLODZIEJ, G.</b>	<u><b>X</b></u>	---	---	---
<b>BAZIAN M.</b>	<u><b>X</b></u>	---	---	---
<b>DE VITA, T.</b>	<u><b>X</b></u>	---	---	---
<b>CLEAVES, C.</b>	---	---	---	<u><b>X</b></u>

Adopted at a meeting of Passaic Valley Water Commission.

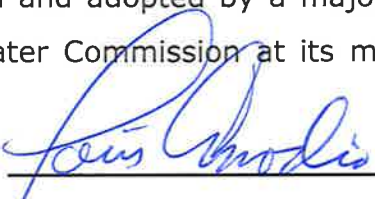
\_\_\_\_\_  
**President Pro-tem**  
**RIGO SANCHEZ**

  
 \_\_\_\_\_  
**Secretary**  
**THOMAS P. DE VITA**

This Resolution, when adopted, must remain in the custody of the Administrative Secretary.  
**\*VOTED LAST AS PRESIDENT PRO-TEM**

**CERTIFICATION**

I, LOUIS AMODIO, Administrative Secretary of the Passaic Valley Water Commission in the County of Passaic, and the State of New Jersey do hereby certify that the foregoing Resolution is a true copy of a legal quorum of the Original Resolution duly passed and adopted by a majority of the full membership of the Passaic Valley Water Commission at its meeting of July 15, 2015.

  
 \_\_\_\_\_  
**LOUIS AMODIO**  
**Administrative Secretary**

PASSAIC VALLEY WATER COMMISSION

INTER-OFFICE MEMO

DATE: July 1, 2015

FROM: Purchasing Department  
TO: Joseph A. Bella  
George T. Hanley  
Yitzchak Weiss  
RE: **Contract # 15-B-35**  
**Furnish and Deliver Dump Truck and Appurtenances**

The Purchasing Department has reviewed the above stated Contract for required documents, affirmative action requirements, and the Contract proposal tabulations. The Finance Department has certified the availability of funds (see attached).

One (1) bid was received,, that of **Beyer Ford, LLC**, of Morristown, New Jersey, in the amount of **\$106,661.76**.

Respectfully submitted,



Linda Beckering  
Purchasing Agent

cc: L. Amodio ✓  
J. Duprey

Contract # 15-B-35  
 Furnish and Deliver Dump Truck Appurtenances

Bids Received: June 30, 2015

BIDDERS	BID DEPOSIT CC- Certified Check CA- Cashier's Check BB- Bid Bond	TOTAL AMOUNT OF CONTRACT	REMARKS
Brown's Hunterdon Mack Sales/Svc 963 Route 173 Bloomsbury, New Jersey 08804 <a href="mailto:icarolan@brownstruckgroup.com">icarolan@brownstruckgroup.com</a>	Certified Check Cashier's Check Bid Bond Not to Exceed \$		Business Registration Cert. PVWC Consent of Surety Other Consent of Surety Public Works Cont. Cert.
Beyer Brothers Corporation 109 Broad Avenue Fairview, New Jersey 07022 <a href="mailto:e.bontemps@beyerbros.com">e.bontemps@beyerbros.com</a>	Certified Check Cashier's Check Bid Bond Not to Exceed \$		Business Registration Cert. PVWC Consent of Surety Other Consent of Surety Public Works Cont. Cert.
Beyer Ford, LLC 170 Ridgedale Avenue Morristown, New Jersey 07960 <a href="mailto:bbeyer@beyerchrysler.com">bbeyer@beyerchrysler.com</a>	Certified Check Cashier's Check Bid Bond Not to Exceed \$	\$106,661.76	X Business Registration Cert. N/A PVWC Consent of Surety Other Consent of Surety Public Works Cont. Cert.
	Certified Check Cashier's Check Bid Bond Not to Exceed \$		Business Registration Cert. PVWC Consent of Surety Other Consent of Surety Public Works Cont. Cert.
	Certified Check Cashier's Check Bid Bond Not to Exceed \$		Business Registration Cert. PVWC Consent of Surety Other Consent of Surety Public Works Cont. Cert.

**RESOLUTION #15-88**  
**RESOLUTION OF PASSAIC VALLEY WATER COMMISSION**  
**DATE OF ADOPTION: JULY 15, 2015**

Approved as to form and legality by Law Department on the basis of facts set forth by Executive Director, Purchasing, Engineering and Finance Departments.

Introduced by Commissioner: **KOLODZIEJ**

Seconded by Commissioner: **DE VITA**

**WHEREAS**, amendments to the Local public Contracts Law N.J.S.A. 40A:11-1 et seq. P.L. 1999, c.440 (the "Act") became effective April 17, 2000 and certain discretionary provisions contained therein were previously adopted by the Commission ("PVWC") by Resolution #00-48 dated July 26, 2000 (copies of which are on file in the office of the Administrative Secretary of PVWC); and

**WHEREAS**, N.J.S.A. 40A:11-3a of the Act gave local contracting units the ability to increase their bid threshold if a qualified purchasing agent was appointed and granted the authorization to negotiate and award such contracts below the bid threshold established by the Act, and PVWC subsequently appointed a qualified purchasing agent; and

**WHEREAS**, the said appointment is annually re-affirmed by the Commission through formal resolutions, the most recent of which (for year 2015) was adopted by the Commission at its December 17, 2014 meeting; and

**WHEREAS**, the said bid threshold is periodically reviewed and adjusted by the New Jersey Department of Community Affairs, Division of Local Government Services ("NJDCA") in accordance with the Act; and

**WHEREAS**, in accordance with the applicable provisions of the Act, PVWC subsequently increased the new bid threshold to \$36,000 (along with corresponding increases to quotation thresholds), and a copy of the PVWC Resolution approving same is on file and made

available for public inspection at the office of the Administrative Secretary of Passaic Valley Water Commission; and

**WHEREAS**, pursuant to N.J.S.A. 40A:11-3 (c), the new bid threshold for contracting units (such as PVWC) having a qualified purchasing agent has been increased by the Division of Local Government Services to \$40,000; and

**WHEREAS**, the increased threshold for bids and quotations enables PVWC to solicit for, and obtain goods and services more efficiently and effectively; and

**WHEREAS**, PVWC desires to take advantage of the increased bid threshold and implement other provisions authorized thereby as set forth in greater detail herein; and

**WHEREAS**, pursuant to N.J.S.A. 40A:11-3(c) of the Act, and N.J.A.C. 5:34-5 et seq., PVWC finds that it promotes more cost-efficiency to increase the bid threshold to \$40,000 in accordance with the policy of the State of New Jersey as promulgated by the Division of Local Government Services; and

**WHEREAS**, as also permitted by the Act, previous PVWC requirements for solicitation of competitive quotations (as set forth the above-referenced PVWC Resolution) shall be modified and supplemented by provisions (a) through (c) as set forth hereinafter and all of which are in conformance with the Act, including (a), (b) and (c) that are more stringent than the minimums required by the Act:

- (a) competitive quotations shall not be required for PVWC staff to award quotations less than \$2,000 (5 percent of the \$40,000 bid threshold adopted hereinabove pursuant to N.J.S.A. 40A:11-6.1-a.), and
- (b) two (2) competitive quotations, where practicable, shall be sufficient for PVWC staff to award quotations that are under \$25,000, but equal to or more than \$2,000 (5 percent of said \$40,000 bid threshold), and

- (c) three (3) competitive quotations, where practicable, shall be sufficient for PVWC staff to award quotations that are under the \$40,000 bid threshold adopted hereinabove, but equal to or more than \$25,000; and

**WHEREAS,** it is in the best interest of PVWC, its users and constituent municipalities at this time to increase the bid threshold to \$40,000 and to modify the said thresholds and other requirements, including those for competitive quotations; all as set forth hereinabove;

**NOW, THEREFORE, BE IT RESOLVED,** by Passaic Valley Water Commission, in the County of Passaic, New Jersey that:

1. The bid threshold shall be hereby increased to \$40,000; and
2. Competitive quotations shall not be required for PVWC's authorized and certified Purchasing Agent (hereinafter the "Purchasing Agent") to award quotations less than \$2,000 (5 percent of the \$40,000 bid threshold adopted hereinabove); and
3. Two (2) competitive quotations, where practicable, shall be sufficient for the Purchasing Agent to award quotations that are under \$25,000 but equal to or more than \$2,000 (5 percent of said \$40,000 bid threshold); and
4. Three (3) competitive quotations, where practicable, shall be sufficient for the Purchasing Agent to award quotations that are under the \$40,000 bid threshold adopted hereinabove, but equal to or more than \$25,000; and
5. Where the receipt of the number of bids is not determined to be "practicable", the Purchasing Agent shall be required to get prior approval of the Finance Committee of the Board of Commissioners prior to authorizing the award; and
6. No officer or employee of the Commission may award a purchase or contract on behalf of the Commission pursuant to this resolution except for the Purchasing Agent, and the Purchasing

Agent is only authorized to do so after having received a written certification from the Chief Financial Officer of the Commission verifying the availability of sufficient funds to award the purchase in accordance with the Local Public Contracts Law; and

7. The appropriate officers, employees and officials of PVWC are hereby authorized to perform such acts and execute such documents as are necessary to implement the terms and intentions of this Resolution; and
8. In accordance with N.J.A.C. 5:34-5.2(b), the Administrative Secretary of PVWC is hereby authorized and directed to forward a certified copy of this Resolution, along with any other required documentation, to the Director of the Division of Local Government Services; and
9. This matter shall be noticed as required by New Jersey law in accordance with an appropriate form of notice; and
10. A copy of this Resolution shall be placed on file and made available for public inspection at the office of the Administrative Secretary of Passaic Valley Water Commission.

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**RECORD OF COMMISSION VOTE ON FINAL PASSAGE**

	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>*SANCHEZ, R.</b>	<u>X</u>	___	___	___
<b>LEVINE, J.</b>	<u>X</u>	___	___	___
<b>GRADDY, R.</b>	<u>X</u>	___	___	___
<b>KOLODZIEJ, G.</b>	<u>X</u>	___	___	___
<b>BAZIAN, M.</b>	<u>X</u>	___	___	___
<b>DE VITA, T.</b>	<u>X</u>	___	___	___
<b>CLEAVES, C.</b>	___	___	___	<u>X</u>

**Adopted at a meeting of Passaic Valley Water Commission.**

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**President Pro-tem  
RIGO SANCHEZ**




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**Secretary  
THOMAS P. DE VITA**

**This Resolution, when adopted, must remain in the custody of the Administrative Secretary.  
\*VOTED LAST AS PRESIDENT PRO-TEM**



**CERTIFICATION**

I, LOUIS AMODIO, Administrative Secretary of the Passaic Valley Water Commission in the County of Passaic, and the State of New Jersey do hereby certify that the foregoing Resolution is a true copy of a legal quorum of the Original Resolution duly passed and adopted by a majority of the full membership of the Passaic Valley Water Commission at its meeting of July 15, 2015.



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**LOUIS AMODIO**  
**Administrative Secretary**

**RESOLUTION # 15-89  
RESOLUTION OF PASSAIC VALLEY WATER COMMISSION  
STATE CONTRACT #M0483-08-r-39975 70256  
PROCUREMENT OF COMPUTER EQUIPMENT**

**DATE OF ADOPTION: JULY 15, 2015**

Approved as to form and legality by Law Department on basis of facts set forth by Executive Director, Purchasing, Engineering and Finance Departments.

Introduced by Commissioner: **KOLODZIEJ**

Seconded by Commissioner: **DE VITA**

**WHEREAS**, PVWC requires the procurement of eight (8) new computers, two (2) desktop computers for PVWC's Laboratory Department, two (2) desktop computers for the Guard House, with the remaining desktop computers as spares to be distributed on an as-required basis, and the procurement of two (2) additional computer monitors; and

**WHEREAS**, in accordance with N.J.S.A. 40A:11-12, PVWC may purchase goods or services under contracts entered into on behalf of the State by the Division of Purchase and Property in the Department of the Treasury; and

**WHEREAS**, PVWC has elected to procure the said computer equipment in the total amount of \$7,596.46 from Dell Marketing, L.P. of Round Rock, Texas (the "Awardee") under State Contract #M0483-08-r-39975 70256 (herein the "State Contract"), and a copy of a memorandum dated June 24, 2015 from PVWC's Director of Purchasing, along with other relevant correspondence, is attached hereto and made a part hereof as Exhibit A; and

**WHEREAS**, N.J.S.A. 40A:11-12 of the Local Public Contracts Law provides for the awarding of said contract to the Awardee; and

**WHEREAS**, the Executive Director and the Director of Engineering have reviewed the above-referenced memorandum and concur with the Director of Purchasing's recommendations, (and the

General Counsel has reviewed the proposed purchase as to form and legality); and

**WHEREAS,** PVWC's Comptroller has certified, with respect hereto, that funds are currently available for said purpose and said certificate is attached hereto and made a part hereof in above-referenced Exhibit A;

**NOW, THEREFORE, BE IT RESOLVED,** by Passaic Valley Water Commission, in the County of Passaic, New Jersey;

1. That the purchase of the above-referenced computer equipment under the State Contract is hereby awarded to the Awardee in the total amount of \$7,596.46; and
2. That the appropriate officers and employees of PVWC are hereby authorized and directed to perform such acts and execute such documents as are consistent herewith, with respect to said procurement under the State Contract as set forth hereinabove.

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**RECORD OF COMMISSION VOTE ON FINAL PASSAGE**

	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>*SANCHEZ, R.</b>	<u>X</u>	---	---	---
<b>LEVINE, J.</b>	<u>X</u>	---	---	---
<b>GRADDY, R.</b>	<u>X</u>	---	---	---
<b>KOLODZIEJ, G.</b>	<u>X</u>	---	---	---
<b>BAZIAN M.</b>	<u>X</u>	---	---	---
<b>DE VITA, T.</b>	<u>X</u>	---	---	---
<b>CLEAVES, C.</b>	---	---	---	<u>X</u>

Adopted at a meeting of Passaic Valley Water Commission.

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**President Pro-tem**  
**RIGO SANCHEZ**



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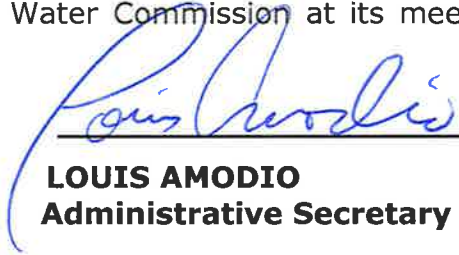
**Secretary**  
**THOMAS P. DE VITA**

This Resolution, when adopted, must remain in the custody of the Administrative Secretary.

**\*VOTED LAST AS PRESIDENT PRO-TEM**

**CERTIFICATION**

I, LOUIS AMODIO, Administrative Secretary of the Passaic Valley Water Commission in the County of Passaic, and the State of New Jersey do hereby certify that the foregoing Resolution is a true copy of a legal quorum of the Original Resolution duly passed and adopted by a majority of the full membership of the Passaic Valley Water Commission at its meeting of July 15, 2015.



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**LOUIS AMODIO**  
**Administrative Secretary**

**PASSAIC VALLEY WATER COMMISSION**

**STATE CONTRACT #M0483-08-r-39975 70256  
PROCUREMENT OF COMPUTER EQUIPMENT**

**PVWC'S PURCHASING DEPARTMENT  
MEMORANDUM DATED JUNE 24, 2015  
PVWC's FINANCIAL CERTIFICATION SHEET  
AND OTHER RELEVANT CORRESPONDENCE**

**EXHIBIT A**

**PASSAIC VALLEY WATER COMMISSION**

**STATE CONTRACT #M0483-08-r-39975 70256  
PROCUREMENT OF COMPUTER EQUIPMENT**

**PVWC'S PURCHASING DEPARTMENT  
MEMORANDUM DATED JUNE 24, 2015  
PVWC's FINANCIAL CERTIFICATION SHEET  
AND OTHER RELEVANT CORRESPONDENCE**

**EXHIBIT A**

PASSAIC VALLEY WATER COMMISSION

INTER-OFFICE MEMO

DATE: June 24, 2015

FROM: Purchasing Department


TO: Joseph A. Bella  
George T. Hanley  
Yitzchak Weiss

RE: **State Contract Purchase – Contract # M0483-08-r-39975 70256  
Computers and Monitors**

We need to replace a few desk tops that are running on Windows XP and Windows 2000 and are requesting the purchase some spares for a total of eight (8), plus the purchase of two (2) additional monitors (quotes attached).

The State Contract purchase would be from **Dell Marketing, L.P.**, of Round Rock, Texas, in the amount of **\$7,596.46**. The Finance Department has "Certified the Availability of Funds" (attached).

Respectfully submitted,

  
Linda Beckering  
Purchasing Agent

cc: L. Amodio  
J. Duprey ✓  
J. Gallagher

# OFFICE OF THE COMPTROLLER

## CERTIFICATION OF AVAILABILITY OF FUNDS

It is hereby certified that subject to Commission approval of future Budgets, with respect to multi-budget year contracts, there are or will be sufficient available funds for expenditures to be incurred as result of any contract or commitment to be entered into by Passaic Valley Water Commission as follows:

---

Description of Project or Contract: **State Contract Purchase M0483-08-r-39975 70256**

Amount of Project or Contract: \$ 7,596.46

1. Acct: # 001-0604-416-65-03 Computer Equipment

Specific Appropriation to which expenditures will be charged: Budget 2015

Other comments: Single Purchase: July 2015  
Computer Equipment

Date of Certification: 06/29/2015 Certified: \$ 7,596.46



**Yitzchak Weiss**  
Comptroller and Chief Financial Officer

YW:lb

---





State of New Jersey  
Department of the Treasury

Division of Purchase and Property

Governor Chris Christie • Lt. Governor Kim Guadagno

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T-Number	Title	Vendor	Contract #
M0483 08-r-39975	WSCA COMPUTER CONTRACT	DELL MARKETING LP	70256
M0003 11-r-21493	SOFTWARE LICENSE & RELATED SER	DELL MARKETING LP	77003
M7000 15-r-23681	DATA COMMUNICATIONS EQUIPMENT	DELL MARKETING LP	88796

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**Beckering, Linda**

---

**From:** Marotta, Mike  
**Sent:** Friday, June 19, 2015 12:34 PM  
**To:** Beckering, Linda  
**Cc:** Gallagher, Jim  
**Subject:** computers

I just talked to Granville from IT. Les Hoentz and the main Guardhouse computer need to be replaced. Les's is running Windows 2000 and the Main on is running XP which is not compatible with the next access control software.

Thank you

Michael Marotta  
General Supervisor  
Passaic Valley Water Commission  
800 Union Blvd.  
Totowa, NJ 07512  
O: 973-237-2028  
F: 973-237-2060  
[mmarotta@pwwc.com](mailto:mmarotta@pwwc.com)

**QUOTATION**

Quote #: 710121581  
 Customer #: 133751762  
 Contract #: WN88ABZ  
 Customer Agreement #: 70256 WSCA/NASPO  
 Quote Date: 06/23/2015  
 Customer Name: PASSAIC VALLEY WATER COMMISSIO

Date: 6/23/2015

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**Sales Professional Information**

SALES REP: CAM MULLARKEY      PHONE: 1800 - 6249896  
 Email Address: [Cam\\_Mullarkey@Dell.com](mailto:Cam_Mullarkey@Dell.com)      Phone Ext: 7254105

**GROUP: 1    QUANTITY: 8    SYSTEM PRICE: \$904.71    GROUP TOTAL: \$7,237.68**

Description	Quantity
OptiPlex 3020 Minitower CTO (210-ABIW)	8
8GB (2x4G) 1600MHz DDR3 Memory (370-AADC)	8
US English (QWERTY) Dell KB212-B QuietKey USB Keyboard Black (580-AAQX)	8
Display Not Included (480-ABFW)	8
Intel Integrated Graphics, Dell OptiPlex (490-BBFG)	8
No Wireless LAN Card (555-BBNI)	8
3.5 inch 500GB 7200rpm Hard Disk Drive (400-AANO)	8
No Media Card Reader (385-BBCR)	8
Microsoft Office Trial, Single Language, Tablet (630-AABO)	8
Dell Digital Delivery Cirrus Client (340-AAUC)	8
Dell Client System Update (Updates latest Dell Recommended BIOS, Drivers, Firmware and Apps),OptiPlex (421-5334)	8
Thank you for buying Dell (421-9982)	8
Dell Data Protection System Tools Digital Delivery/DT (422-0008)	8
SW,MY-DELL,CRRS (422-0052)	8
Visit <a href="http://www.dell.com/encryption">www.dell.com/encryption</a> (632-BBBZ)	8
Thank you for buying Dell (632-BBCB)	8
Adobe Reader 11 (640-BBDF)	8
Dell Data Protection   Protected Workspace (640-BBEV)	8
Enable Low Power Mode (658-BBMQ)	8
Waves Maxx Audio (658-BBNH)	8
No Anti-Virus Software (650-AAAJ)	8
Windows 7 Professional English/French 64bit (Includes Windows 8.1 Pro license) (536-BBBJ)	8
US Order (332-1286)	8
OptiPlex 3020 Minitower Chassis w/ up to 90 Percent Efficient PSU (EPA V2) (329-BCKL)	8
Dell Logitech USB Optical Mouse (570-AADU)	8
No ESTAR (387-BBCG)	8
No Additional Network Card Selected (Integrated NIC included) (555-BBJO)	8
16X Half Height DVD+/-RW Drive (429-AAED)	8

file:///C:/Users/lbecker/AppData/Local/Microsoft/Windows/Temporary%20Internet%20Fil... 6/24/2015

Internal Dell Business Audio Speaker (520-AABP)	8
Thank You for Choosing Dell (555-BBNG)	8
System Power Cord (Philipine/TH/US) (450-AAOJ)	8
Recovery media not included (620-AAWD)	8
No Dell Backup and Recovery software (637-AAAM)	8
Desktop BTO Standard shipment (800-BBIO)	8
Not Selected in this Configuration (817-BBBC)	8
Safety/Environment and Regulatory Guide (English/French/Dutch) (340-AGIK)	8
Thank you for choosing Dell ProSupport Plus. For tech support, visit www.dell.com/contactdell or call 1-866-516-3115 (997-8367)	8
Dell Limited Hardware Warranty Plus Service (997-8924)	8
ProSupport Plus: Accidental Damage Service, 3 Years (997-8993)	8
ProSupport Plus: Keep Your Hard Drive, 3 Years (997-9003)	8
ProSupport Plus: Next Business Day Onsite 3 Years (997-9013)	8
ProSupport Plus: 7x24 Technical Support, 3 Years (997-9033)	8
Management Engine (340-AGMO)	8
Dell 22 Monitor - P2214H (480-ABMD)	8
No Diagnostic/Recovery CD media (340-ABJI)	8
No Quick Reference Guide (340-ABKW)	8
Intel Core I5-4590 (Quad Core, 3.30GHz Turbo, 6MB, w/ HD Graphics 4600) (338-BEUB)	8
No DDPE Encryption Software (954-3465)	8
Chassis Intrusion Switch (461-AAAZ)	8
Minitower Chassis Mainstream Heatsink (95watts) (412-AAAV)	8
Shipping Material for System,Minitower,Dell OptiPlex (340-ABVE)	8
No Accessories (461-AABV)	8
PowerDVD Software not included (632-BBBJ)	8
No Additional Hard Drive (401-AADF)	8
Regulatory Label, OptiPlex 3020 (389-BDMC)	8
Intel Core I5 Label (389-BBWP)	8

<b>*Total Purchase Price:</b>	<b>\$7,237.68</b>
<b>Product Subtotal:</b>	\$7,237.68
<b>Tax:</b>	\$0.00
<b>Shipping &amp; Handling:</b>	\$0.00
<b>State Environmental Fee:</b>	\$0.00
<b>Shipping Method:</b>	LTL 5 DAY OR LESS
	(* Amount denoted in \$)

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**Terms of Sale**

This quote is valid for 30 days unless otherwise stated. Unless you have a separate written agreement that specifically applies to this order, your order will be subject to and governed by the following agreements, each of which are incorporated herein by reference and available in hardcopy from Dell at your request:

If this purchase is for your internal use only: Dell's Commercial Terms of Sale ([www.dell.com/CTS](http://www.dell.com/CTS)), which incorporate Dell's U.S. Return Policy ([www.dell.com/returnpolicy](http://www.dell.com/returnpolicy)) and Warranty ([www.dell.com/warrantyterms](http://www.dell.com/warrantyterms)).

If this purchase is intended for resale: Dell's Reseller Terms of Sale ([www.dell.com/resellerterms](http://www.dell.com/resellerterms)).

If this purchase includes services: in addition to the foregoing applicable terms, Dell's Service Terms ([www.dell.com/servicecontracts/global](http://www.dell.com/servicecontracts/global)).

If this purchase includes software: in addition to the foregoing applicable terms, your use of the software is subject to the license terms accompanying the software, and in the absence of such terms, then use of the Dell-branded application software is subject to the Dell End User License Agreement - Type A ([www.dell.com/AEULA](http://www.dell.com/AEULA)) and use of the Dell-branded system software is subject to the Dell End User License Agreement - Type S ([www.dell.com/SEULA](http://www.dell.com/SEULA)).

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If you are a department, agency, division, or office of any district, state, county or municipal government within the United States ("Public Customer"), the following terms ("Public Customer Terms") apply in addition to the foregoing terms: A. If any portion of the foregoing terms and conditions (or any terms referenced therein) is prohibited by law, such portion shall not apply to you. Notwithstanding anything to the contrary, the End User License Agreements shall take precedence in all conflicts relevant to your use of any software. B. By placing your order, you confirm that (1) you are a contracting officer or other authorized representative of Public Customer with authority to bind the Public Customer to these terms and conditions, and (2) you have read and agree to be bound by these terms and conditions.

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## QUOTATION

Quote #: 710118202  
 Customer #: 133751762  
 Contract #: WN88ABZ  
 Customer Agreement #: 70256 WSCA/NASPO  
 Quote Date: 06/23/2015  
 Customer Name: PASSAIC VALLEY WATER COMMISSIO

Date: 6/23/2015

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### Sales Professional Information

SALES REP: CAM MULLARKEY  
 Email Address: [Cam\\_Mullarkey@Dell.com](mailto:Cam_Mullarkey@Dell.com)  
 PHONE: 1800 - 6249896  
 Phone Ext: 7254105

GROUP: 1 QUANTITY: 2 SYSTEM PRICE: \$179.39 GROUP TOTAL: \$358.78

Description	Quantity
Dell 22 Monitor - P2214H (320-9791)	2
3YR Limited Warranty Monitor, Advanced Exchange (986-4872)	2

\*Total Purchase Price: **\$358.78**  
 Product Subtotal: \$358.78  
 Tax: \$0.00  
 Shipping & Handling: \$0.00  
 State Environmental Fee: \$0.00  
 Shipping Method: LTL 5 DAY OR LESS  
 (\* Amount denoted in \$)

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**RESOLUTION #15-90  
RESOLUTION OF PASSAIC VALLEY WATER COMMISSION  
CHANGES IN SCOPE OF PROFESSIONAL SERVICES FOR  
PROJECT 12-P-43 ENTITLED "PROFESSIONAL ENGINEERING  
SERVICES-EMERGENCY BACK-UP POWER AND WATER STORAGE  
FACILITIES-DESIGN, PERMITTING AND CONSTRUCTION  
ADMINISTRATION SERVICES"**

**PROFESSIONAL SERVICES FOR  
ADDITIONAL PROJECT MODIFICATIONS  
(CONTRACT AMENDMENT NO. 3)**

**DATE OF ADOPTION: JULY 15, 2015**

Approved as to form and legality by Law Department on basis of facts set forth by Executive Director, Purchasing, Engineering and Finance Departments.

Introduced by Commissioner: **KOLODZIEJ**

Seconded by Commissioner: **GRADDY**

**WHEREAS**, Project 12-P-43 entitled "Professional Engineering Services-Emergency Back-up Power and Water Storage Facilities-Design, Permitting and Construction Administration Services" (the "Project") was awarded to CH2M Hill Engineers, Inc. ("CH2M Hill") of Parsippany, New Jersey at PVWC's Commission Meeting dated June 19, 2013 (PVWC Resolution 13-76) in accordance with the authorized scope of work, and with reimbursement to be on a time-and-materials basis, not to exceed \$3,188,397.00; and

**WHEREAS**, previously approved Contract Amendments No. 1 and 2 for professional services to assess alternate site locations (for the Levine storage improvement project), and for incorporating additional requirements and project features (for the emergency generator contract), respectively, increased the above not-to-exceed total amount to \$3,363,737.00 (a 5.5% increase); and

**WHEREAS**, during the design phase of the emergency generator contract, it was determined that additional professional services would be desirable to assist PVWC in obtaining a HUD Community Development Block Grant-Disaster Recovery (CDBG-DR) which could save PVWC approximately \$500,000 on that project through an anticipated reduction in NJDEP fees; and



**WHEREAS**, during the design phase of the emergency generator contract, unanticipated changes in the design documents and permit applications were required to accommodate the Commission's required changes to same; and

**WHEREAS**, with regard to the Levine Water Storage Improvement Project, PVWC has requested that CH2M Hill provide additional professional technical support to assist PVWC during the upcoming public outreach and participation process; and

**WHEREAS**, the completion of design of the Levine Storage Improvement Project (to accommodate the public outreach and participation process) and the resulting delay in the start of construction has impacted the ability to parallel the Levine Contract with the other two (2) construction contracts (emergency generators at the Plant and the new Verona tank) as originally contemplated, thereby impacting CH2M Hill's construction phase professional services; and

**WHEREAS**, in addition to PVWC's request to defer the bid date of the emergency generator contract to pursue the CDBG-DR grant, PVWC has also requested that the construction timeframe of the emergency generator contract be extended from 18 to 24 months, and that CH2M Hill incorporate a number of other additional project enhancements into the emergency generator contract; and

**WHEREAS**, at PVWC's request, CH2M Hill has submitted a proposal dated May 27, 2015, (the "Proposal") to modify the Project to include the additional professional services related to the above (with the exception of construction phase services impacts which will depend on actual timing and sequencing of the various construction contracts as they unfold, and which impacts cannot be sufficiently quantified at this time); and

**WHEREAS**, when the actual timing and sequencing of the various construction contracts becomes sufficiently known to enable the cost impacts to be appropriately quantified, a request for an negotiated increase in the professional services to reflect the said impacts will be submitted to the Commission for consideration at some future date when appropriate; and

**WHEREAS**, said additional professional services were not included in CH2M Hill's original proposal (nor in previously approved Contract Amendments No. 1 and 2), and a copy of the Proposal, including a breakdown of the scope and additional costs related thereto, is attached hereto and hereby made a part hereof (as an attachment to Exhibit B referenced below); and

**WHEREAS**, the Director of Engineering has reviewed CH2M Hill's Proposal for the additional Work as set forth hereinabove and finds it to be reasonable, considering the nature and scope of additional Work involved, and has recommended that the said modifications to the Project, and additional costs related thereto, be approved, and that additional costs related to future construction phase services impacts be deferred for reasons set forth hereinabove; and

**WHEREAS**, a copy of the Director of Engineering's memorandum dated July 1, 2015 recommending approval of the said changes to the Project is attached hereto and made a part hereof as Exhibit A; and

**WHEREAS**, the Executive Director; and the General Counsel, (as to form and legality); have reviewed the above-referenced memorandum and concur with the Director of Engineering's recommendations; and

**WHEREAS**, the previously approved not-to-exceed total price of \$3,363,737.00 (which includes Contract Amendments No. 1 and 2) is hereby increased by the additional negotiated amount of \$167,350.00 (an additional 5.2% increase) for Amendment No. 3 as set forth

herein, for a revised not-to-exceed total price of \$3,531,087.00 for the Project (which equates to an overall net increase of approximately 10.7% to the Project); and

**WHEREAS,** the said modifications will be incorporated into Contract Amendment No. 3 to Agreement for the Project, the form of which (along with the Proposal) is attached hereto and made a part hereof as Exhibit B; and

**WHEREAS,** the additional services to be rendered pursuant hereto constitute professional services (or extraordinary unspecifiable services) within the meaning and intent of the Local Public Contracts Law; and

**WHEREAS,** PVWC's Comptroller has certified, with respect hereto, that funds are currently available for said purpose and said certificate is attached hereto as Exhibit C;

**NOW, THEREFORE, BE IT RESOLVED,** by Passaic Valley Water Commission, in the County of Passaic, New Jersey;

1. That PVWC hereby approves and awards Contract Amendment No. 3 to Agreement for the Project with modifications to the scope of Work for the Project as set forth in CH2M Hill's Proposal dated May 27, 2015) which modifications result in an increase of \$167,350.00, thereby increasing the total previously approved not-to-exceed amount for Project 12-P-43 (including previously approved Contract Amendments No. 1 and 2) from \$3,363,737.00 to \$3,531,087.00; all as set forth hereinabove; and
2. That the appropriate officials of PVWC, and such other officers, employees and officials of PVWC, on behalf of PVWC, are hereby authorized to execute and enter into Contract Amendment No. 3 to the Agreement, and to perform such other acts and execute such documents as are necessary to implement the terms and intentions of this Resolution; and

3. That this matter shall be advertised as required by New Jersey law, in accordance with an appropriate form of notice, and a copy of this Resolution and Agreement shall be placed on file and made available for inspection at the office of the Administrative Secretary of Passaic Valley Water Commission.

**RECORD OF COMMISSION VOTE ON FINAL PASSAGE**

	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>*SANCHEZ, R.</b>	<u>  X  </u>	_____	_____	_____
<b>LEVINE, J.</b>	<u>  X  </u>	_____	_____	_____
<b>GRADDY, R.</b>	<u>  X  </u>	_____	_____	_____
<b>KOLODZIEJ, G.</b>	<u>  X  </u>	_____	_____	_____
<b>BAZIAN M.</b>	<u>  X  </u>	_____	_____	_____
<b>DE VITA, T.</b>	<u>  X  </u>	_____	_____	_____
<b>CLEAVES, C.</b>	_____	_____	_____	<u>  X  </u>

**Adopted at a meeting of Passaic Valley Water Commission.**

\_\_\_\_\_  
**President Pro-Tem**  
**RIGO SANCHEZ**

  
 \_\_\_\_\_  
**Secretary**  
**THOMAS P. DE VITA**

**This Resolution, when adopted, must remain in the custody of the Administrative Secretary.**

**\*VOTED LAST AS PRESIDENT PRO-TEM  
 CERTIFICATION**

I, LOUIS AMODIO, Administrative Secretary of the Passaic Valley Water Commission in the County of Passaic, and the State of New Jersey do hereby certify that the foregoing Resolution is a true copy of a legal quorum of the Original Resolution duly passed and adopted by a majority of the full membership of the Passaic Valley Water Commission at its meeting of July 15, 2015.

  
 \_\_\_\_\_  
**LOUIS AMODIO**  
**Administrative Secretary**

**PASSAIC VALLEY WATER COMMISSION**

**CHANGES IN SCOPE OF PROFESSIONAL SERVICES FOR  
PROJECT 12-P-43 ENTITLED "PROFESSIONAL ENGINEERING  
SERVICES-EMERGENCY BACK-UP POWER AND WATER STORAGE  
FACILITIES-DESIGN, PERMITTING AND CONSTRUCTION  
ADMINISTRATION SERVICES"**

**PROFESSIONAL SERVICES FOR  
ADDITIONAL PROJECT MODIFICATIONS  
(CONTRACT AMENDMENT NO. 3)**

**PVWC DIRECTOR OF ENGINEERING'S  
MEMORANDUM DATED JULY 1, 2015**

**EXHIBIT A**

**PASSAIC VALLEY WATER COMMISSION  
INTEROFFICE MEMORANDUM**

Date: July 1, 2015

To: Hon. Commissioners

From: J. Duprey

cc: J. Bella  
G. Hanley  
L. Amodio  
L. Beckering

Re: Modifications to Professional Services for Project 12-P-43 "Professional Engineering Services-Emergency Back-up Power and Water Storage Facilities-Design, Permitting and Construction Administration Services-Professional Services for Additional Project Modifications (Contract Amendment No. 3)

**Summary**

It is recommended that, under Project 12-P-43, CH2M Hill Engineers, Inc. ("CH2M Hill") of Parsippany, New Jersey be awarded an increase of \$167,350.00 (increasing the total previously approved not-to-exceed amount for Project 12-P-43 (including previously approved Contract Amendments No. 1 and 2) from \$3,363,737.00 to \$3,531,087.00 to provide PVWC with additional professional services related to the Project as set forth in the attached copy of CH2M Hill's proposal dated May 27, 2015.

These recommended modifications under this proposed Contract Amendment No. 3 to Agreement for the Project are set forth in more detail below.

**Background**

Project 12-P-43 entitled "Professional Engineering Services-Emergency Back-up Power and Water Storage Facilities- Design, Permitting and Construction Administration Services" (the "Project") was awarded to CH2M Hill Engineers, Inc. ("CH2M Hill") of Parsippany, New Jersey at PVWC's Commission Meeting dated June 19, 2013 (PVWC Resolution 13-76) in accordance with the authorized scope of work, and with reimbursement to be on a time-and-materials basis, not to exceed \$3,188,397.00.

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During the design phase of the emergency generator contract, it was determined that additional professional services would be desirable to assist PVWC in obtaining a HUD Community Development Block Grant-Disaster Recovery (CDBG-DR) which could save PVWC approximately \$500,000 on that project through an anticipated reduction in NJDEP fees.

With regard to the Levine Water Storage Improvement Project, PVWC has requested that CH2M Hill provide additional professional technical support to assist PVWC during the upcoming public outreach and participation process.

The completion of design of the Levine Storage Improvement Project (to accommodate the public outreach and participation process) and the resulting delay in the start of construction has impacted the ability to parallel the Levine Contract with the other two (2) construction contracts (emergency generators at the Plant and the new Verona tank) as originally contemplated, thereby impacting CH2M Hill's construction phase professional services.

In addition to PVWC's request to defer the bid date of the emergency generator contract to pursue the CDBG-DR grant, PVWC has also requested that the construction timeframe of the emergency generator contract be extended from 18 to 24 months, and that CH2M Hill incorporate a number of other additional project enhancements into the emergency generator contract.

At PVWC's request, CH2M Hill has submitted a proposal dated May 27, 2015, (the "Proposal") to modify the Project to include the additional professional services related to the above (with the exception of construction phase services impacts

which will depend on actual timing and sequencing of the various construction contracts as they unfold, and which impacts cannot be sufficiently quantified at this time).

When the actual timing and sequencing of the various construction contracts becomes sufficiently known to enable the cost impacts to be appropriately quantified, a request for a negotiated increase in the professional services to reflect the said impacts will be submitted to the Commission for consideration at some future date when appropriate.

Said additional professional services were not included in CH2M Hill's original proposal (nor in previously approved Contract Amendments No. 1 and 2), and a copy of the Proposal, including a breakdown of the scope and additional costs related thereto, is attached hereto as Attachment A (Note that \$30,000.00 of the \$167,350.00 requested is included as an allowance in the Consultant's proposal). CH2M Hill's Proposal for Contract Amendment No. 3 (including the said changes to the Project and additional costs related thereto) appears reasonable, considering the nature and scope of additional Work involved, and it is recommended that Contract Amendment No. 3 be approved. The additional services to be rendered pursuant hereto constitute professional services (or extraordinary unspecifiable services) within the meaning and intent of the Local Public Contracts Law.

It is recommended that, under Project 12-P-43, CH2M Hill be awarded an increase of \$167,350.00 (increasing the total previously approved not-to-exceed amount for Project 12-P-43 (including previously approved Contract Amendments No. 1 and 2) from \$3,363,737.00 to \$3,531,087.00 to provide PVWC with additional professional services related to the Project as set forth in the attached copy of CH2M Hill's proposal dated May 27, 2015.

Subject to concurrence and approval by the Law Department, the said changes will be incorporated into an Amendment to Agreement for the Project, the form of which is included in Exhibit B.

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**PASSAIC VALLEY WATER COMMISSION**

**CHANGES IN SCOPE OF PROFESSIONAL SERVICES FOR  
PROJECT 12-P-43 ENTITLED "PROFESSIONAL ENGINEERING  
SERVICES-EMERGENCY BACK-UP POWER AND WATER STORAGE  
FACILITIES-DESIGN, PERMITTING AND CONSTRUCTION  
ADMINISTRATION SERVICES"**

**PROFESSIONAL SERVICES FOR  
ADDITIONAL PROJECT MODIFICATIONS  
(CONTRACT AMENDMENT NO. 3)**

**FORM OF AMENDMENT TO AGREEMENT  
AND CH2M HILL'S PROPOSAL  
DATED MAY 27, 2015**

**EXHIBIT B**



**PASSAIC VALLEY WATER COMMISSION  
AMENDMENT NO. 3 TO AGREEMENT  
FOR PROFESSIONAL SERVICES  
(PROJECT 12-P-43)**

THIS AMENDMENT TO AGREEMENT (hereinafter "Amendment") made as of \_\_\_\_\_, 20\_\_ between Passaic Valley Water Commission ("PVWC"), a Public Utility Company organized pursuant to its enabling statute (N.J.S.A. 40:62-108 et seq.), having its principal place of business at 1525 Main Avenue, Clifton, New Jersey 07011, and CH2M Hill, Inc. a professional firm (hereinafter "Professional") having a place of business at 119 Cherry Hill Road, Suite 300, Parsippany, New Jersey 07054.

WHEREAS, the Amendment hereby modifies the previously signed and executed agreement as amended by Contract Amendment Nos. 1 and 2 (collectively the "Agreement") with PVWC and Professional who was awarded Project 12-P-43 entitled "Professional Engineering Services-Emergency Back-up Power and Water Storage Facilities-Design, Permitting and Construction Administration Services" (hereinafter the "Project"); and

WHEREAS, at PVWC's request, Professional has submitted a proposal dated May 27, 2015 (the "Proposal") which Proposal hereby modifies the Agreement to include the additional professional services as set forth in the Proposal, and a copy of the Proposal, including a breakdown of the scope and additional costs related thereto, is attached hereto and made a part hereof as Attachment A; and

WHEREAS, the previously approved not-to-exceed total amount of \$3,363,737.00 for the Project (including Contract Amendment Nos. 1 and 2) is hereby increased by the additional amount of \$167,350.00 for Contract Amendment No. 3 as set forth herein, for a revised negotiated not-to-exceed total amount of \$3,531,087.00; and

All other provisions of the AGREEMENT remain in full force and effect.

**CH2M HILL, INC.**

Witness or Attest

By: \_\_\_\_\_  
Secretary

(Seal)

By: \_\_\_\_\_  
Authorized Signatory

**PASSAIC VALLEY WATER COMMISSION**

By: \_\_\_\_\_  
LOUIS AMODIO  
Administrative Secretary

By: \_\_\_\_\_  
CHRYSTAL CLEAVES  
President

**PASSAIC VALLEY WATER COMMISSION**

**CHANGES IN SCOPE OF PROFESSIONAL SERVICES FOR  
PROJECT 12-P-43 ENTITLED "PROFESSIONAL ENGINEERING  
SERVICES-EMERGENCY BACK-UP POWER AND WATER STORAGE  
FACILITIES-DESIGN, PERMITTING AND CONSTRUCTION  
ADMINISTRATION SERVICES"**

**PROFESSIONAL SERVICES FOR  
ADDITIONAL PROJECT MODIFICATIONS  
(CONTRACT AMENDMENT NO. 3)**

**CH2M HILL'S PROPOSAL  
DATED MAY 27, 2015**

**ATTACHMENT A**



CH2M HILL  
119 Cherry Hill Road  
Suite 300  
Parsippany, NJ  
07054  
Tel 973.316.0159  
Fax 973.334.5847

May 27, 2015

Kevin P. Byrne, P.E.  
Principal Engineer  
Passaic Valley Water Commission  
1525 Main Avenue  
Clifton, NJ 07011

Re: Project No. 12-P-43  
Professional Engineering Services Emergency Back-Up Power and Water Storage Facilities  
Design, Permitting and Construction Administrative Services  
Permitting and Financing Assistance

Dear Mr. Byrne,

As discussed at our meeting of May 5, in review of our draft letter dated April 1, 2015 additional task needs have recently arisen during project execution. These needs pertain to each of the three subprojects, with the majority attributed to the Emergency Backup Power subproject.

At the May 5 meeting, PVWC indicated some task items that they will delay funding until a later date. Additionally, PVWC indicated that additional services are required for completing the reporting requirements associated with HUD funding of the Emergency Backup Power subproject. The tasks for each subproject and resulting budget request is detailed below as included in the April 1 letter and updated following discussions at the May 5 meeting.

### **Emergency Backup Power**

As you know, starting in October 2014 substantial efforts have been expended on design updates and responses to the NJEIT/ NJDEP as well as addressing unanticipated permit needs for the Emergency Back-Up Power Generator project. These efforts were provided on an accelerated schedule to allow for advertisement of the project in December with planned award in January in order to meet February 28, 2015 contract award deadline for the NJEIT FY 2015 funding cycle.

In October 2014 we received comments from PVWC staff and consultant Mr. Ralph Rocco of Associated Technology on the final design documents for the Back-Up Power Generators issued in June 2014. We also reached out to the New Jersey Environmental Infrastructure Trust (NJEIT) and NJDEP Municipal Finance and Construction to inquire on the status of their review, and they forwarded comments from the the Bureau of Environmental and Engineering Review (BE&ER) office. At the same time, we began working with the Borough of Totowa for planning board approval of the project.

The efforts expended in response to these items have gone beyond the original scope and budget planned for the project in the following areas:

- Comments on Final Design (100%) - Associated Technology, Inc. (ATI) /PVWC
- Design documents issued to NJEIT/NJDEP for December Advertisement/January Award
- NJEIT/NJDEP Comments on Front End Specifications
- Zoning Board Variance
- Passaic County Planning Board Approval

Additionally, there will be efforts required beyond that originally planned for in our proposal as a result of project delays and change in funding in the areas:

- Financing assistance and
- Resident engineering

This letter identifies the task completion for each of these out of scope items and the resulting budget request for engineering services.

#### **Comments on Final Design – Associated Technology, Inc. /PVWC**

Typically, the 90% review comments are the last substantial changes made to design documents. The 100% document review then serves to ensure that all the 90% comments have been incorporated and to address last minute issues. CH2M Hill posted the 90% drawings on May 31, 2014 and the Specifications on June 2, 2014. PVWC provided comments 90% review comments in early June 2014. CH2MHILL updated the documents in order to meet the June 30, 2014 Administrative Consent Order (ACO) deadline.

In October 2014, CH2M Hill received 19 pages of additional comments from ATI and PVWC on the 100% final design documents. These came in addition to and four months after the 90% review comments previously submitted by PVWC.

In order to respond, our design team was remobilized and held several meetings to:

- review and interpret the comments
- identify an approach to address the comments
- identify and compile additional information where needed to respond.

All comments were then prioritized into three level of effort categories: simple, moderate and considerable.

Discussion with PVWC ensued on items of moderate to considerable effort to incorporate. Additional information was provided to enable comments to be addressed. The outcome of discussions are captured in minutes of teleconferences from October 30, 2014 and November 24, 2014. The items identified as having considerable effort to address included:

- Power Routing
- Louver Operation
- Differential Protection

Addressing comments as agreed to, required extensive updates to the final design documents. For Power Routing, it was agreed that bid items be included to capture costs of installing an overhead power routing if needed as requested by PVWC. This is intended to provide price protection on a change order if overhead routing becomes necessary. This required sufficient overhead system design to identify quantities and types of cables, poles, supports etc. However, the updates to the bid form could not be completed in the timeline required to request authorization to advertise from the NJEIT in December, requiring two submittals. Also, the underground routing had to be adjusted to avoid the hydraulic switchgear, or valve vault that PVWC identified in its path. Regarding the louvers, it was agreed that electrically operated louvers would be provided instead of the air actuated ones that were in the documents in order to accommodate PVWC operation personnel concerns and preferences. The updated design documents including the electric operated louvers were shipped to NJDEP on November 28, 2014. Additional effort was expended to complete the overhead power design and bid form updates. An updated Section P with the modified bid form for overhead power items was submitted to the NJDEP on December 8, 2014.

#### **Design documents issued to NJEIT/NJDEP for December Advertisement/January Award**

In order to maintain the likelihood of funding in FYI 2015, the project schedule for bidding and award needed to be pushed back one month. This coupled with the extent of technical updates required to address PVWC comments resulted in the need to issue a design package to NJEIT on December 1 in order to receive authorization to advertise in mid December. This is an additional cost rather than simply providing NJEIT/NJDEP with bid ready documents later in December.

#### **NJEIT Comments on Front End Specifications**

Our engineering services contract includes provision of technical specifications, with front end documents provided by PVWC. PVWC did provide their front end documents which we tailored for the Emergency Back-Up Power project in the June 2014 submittal. The NJEIT/NJDEP had substantial comments on the front end document PVWC provided for the specifications. At PVWC's request, CH2MHILL has updated PVWC's front end to address

these comments. This front end will provide future benefit to PVWC for use in projects that will be funded through the loan program.

### **Zoning Board Variance**

Design of the 3MW units has resulted in a building height that requires a variance from the Borough of Totowa zoning board. This resulted in additional permitting efforts that went beyond the standard permits anticipated for this project that included preparation and presentation at a zoning board meeting and follow-up submittals resulting from information requests generated by the Board's Engineer.

### **Passaic County Planning Board Approval**

It was anticipated that the Passaic County Planning Board (PCPB) Approval would be granted directly based on Totowa Planning Board approval as was the case with the recent plant upgrade. However, the PCPB is requesting that Mr. Notte, engineer of record attend a briefing with their staff on the project. The project site plan and specifications will be updated in response to comments received regarding the driveway, signage and drainage.

### **Financing Assistance – CDBG-DR**

At project inception, PVWC planned to finance this work through the New Jersey Environmental Infrastructure Trust (NJEIT). All submittals have been made according to this plan. In November 2014, when we requested authorization to advertise the project, the NJDEP indicated that they had funds available through a HUD Community Development Block Grant - Disaster Recovery (CDBG-DR), which if utilized would save PVWC ~\$500,000 on the project through a reduction in DEP fees. Subsequently PVWC agreed to pursue this funding source. This change has resulted in a minimum delay of seven months for the project. The project will actually be funded through both NJEIT and CDBG-DR, so that the requirements of both have to be met.

CDBG-DR has an independent environmental review requirement as per the National Environmental Policy Act (NEPA). This review was initiated on February 27, 2015 and will be complete by May 8, 2015. Further, the New Jersey Economic Development Authority (NJEDA) will be providing mandatory language to be incorporated into the front end of the bid documents.

The services being provided for pursuit of this alternate funding include:

- Correspondence with PVWC, NJDEP, and NJEDA regarding the program CDBG-DR funding requirements
- Continued active advocacy to move the project forward to bid
- Update of design documents based on comments received from review
- Re-issue design documents for bidding

In consideration of the level of effort to date, an allowance of \$32,900 is requested.

As requested at the May 5 meeting, services will be provided to assist PVWC with grant program support and reporting requirements of the CDBG-DR grant. The anticipated level of effort for this over the 24 months of construction is 260 hours, at a budget of \$52,000.

**Construction Administration, Office Coordination - funding to be provided at a later date**

At the May 5 meeting, PVWC agreed that a 24 month construction schedule is appropriate for the project as currently designed. It was discussed that funding for scope additions under this task will be provided at a later date when we have a better understanding of the bid and award dates for construction.

*Task scope from the April 1 letter: The delay of the project start will require re-engaging the design team for support services such as RFI review. The original project schedule was set at 18 months. The current construction schedule is 24 months. The six month addition to the construction schedule will result in additional effort on this task. Additionally our original contract tasks included project management services costs which we have expended in the design phase of the Emergency Generator project. The delay of the project has caused us to incur additional out of scope PM cost which we recommend be funded under this task.*

**Resident Engineering - funding to be provided at a later date**

At the May 5 meeting, PVWC agreed that a 24 month construction schedule is appropriate for the project as currently designed. It was discussed that funding for scope additions under this task will be provided at a later date when we have a better understanding of the bid and award dates for construction.

*Task scope from the April 1 letter: Construction of the three sub projects was originally planned to occur in parallel. For resident observation, one full time resident is planned for each of the 3 subprojects. Additionally, as presented in our proposal and requested in the RFP, "one resident assistant provided by CH2MHILL at the Levine Reservoir site will be available to assist at the Verona Tank and Little Falls WTP sites". Because the Levine Reservoir project is on delay, the budgeted "floating" resident proposed to work on these projects is not currently available for the Emergency Power project. For the Emergency*

*Power project, however provision will still need to be made for a part-time resident for 2 days a week to support the full time resident due to complexities of the Emergency Power Project. Over the 24 month construction, this equates to 1600 hours. A budget transfer from the Levine Resident Observation task where the budget for the "floating resident" resides can be made to offset the cost of this effort for the Emergency Power project.*

*Additionally, the original contract provides 3000 hours for a resident for the Emergency Power project. The current construction schedule identifies a 24 month period. This will require 4000 hours. With a 7 month delay in project, and the addition of 7 months on the schedule, the labor rate is escalated by 3%.*

## **Verona Tank**

### **Resident Engineering - funding to be provided at a later date**

PVWC has indicated that they want to delay approval of additional funding on this project to a later date. Task scope from the April 1 letter is provided below in italics.

*As the prime contractor, CH2MHILL has a responsibility for the safety of our staff and subcontractor staff on the project site. In accordance with company policy, this will require periodic site visits for the Verona tank construction. As with the Emergency Power project, the delay in the Levine Reservoir construction will require the addition of a staff member for providing supplemental resident observation at the Verona tank. Provision of 60 hours is proposed for this effort. The project delays and separation of subprojects also increase project management efforts.*

### **Levine Reservoir - funding to be provided at a later date**

This subproject has been delayed as a result of public concerns about the project and efforts to respond to these concerns. The letter of April 1 identified scope additions for Financing Assistance, and Public Information Assistance. PVWC has indicated that they want to delay approval of additional funding on this project to a later date. Task scope from the April 1 letter is provided below in italics.

### **Financing Assistance**

*The delay in this project caused by response to public concerns has resulted in a hold on submittals for NJEIT funding. The assistance for obtaining NJEIT loan funding will need to be repeated when the project moves forward, requiring an addition to this task budget. This amount can be determined when the project moves forward.*



Kevin P. Byrne, P.E.  
Page 7  
May 27, 2015

### **Public Information Assistance**

*PVWC has advertised to hire a firm to assist them with interfacing with the public to address concerns with this project. This project includes conduct of six public meetings. The design team will attend these public meetings, and provide technical support as needed. An allowance of \$30,000 is suggested.*

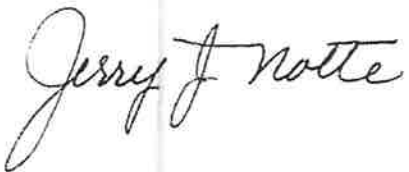
### **Budget Addition Request**

Table 1 on the following page identifies the requested budget additions for the tasks as discussed at the May 5 meeting. As noted in the April 1 letter and shown on invoices, the requested budget for design and permitting efforts on the Emergency Backup Power subproject only offsets a portion of efforts for execution of these items, as some services were deemed to be within our contract scope.

Should you have any questions or comments on the information provided herein please contact me at 973-316-3543 at your earliest convenience.

Sincerely,

CH2M Hill Engineers, Inc.



Jerry Notte, P.E.  
Vice President - CH2M Hill

Cc: Russell Ford, CH2M  
Linda Wancho, CH2M

TABLE 1 - REQUESTED BUDGET ADDITIONS BY TASK

TASK	Level of Effort (hrs)	Budget (\$) Requested
<b>Emergency Backup Power</b>		
<ul style="list-style-type: none"> <li>Adjudicating Comments in Final Design Documents - Task 4 and 6*</li> </ul>	108	20,050
<ul style="list-style-type: none"> <li>Design Docs to NJEIT for December Advertisement (Task 6)</li> </ul>	24	4,250
<ul style="list-style-type: none"> <li>NJEIT Front End Updates (Task 9)</li> </ul>	55	10,350
<ul style="list-style-type: none"> <li>Zoning Board Variance (Task 7)</li> </ul>	16	5,000
<ul style="list-style-type: none"> <li>Passaic County Planning Board Approval (Task 7)</li> </ul>	56	12,800
<b>Funding Change and Project Delay/Schedule Items- assumes bid date of June 2015</b>		
<ul style="list-style-type: none"> <li>Financing Assistance CDBG-DR/ Front End Updates (Task 9), Reissue Bid Documents</li> </ul>	140	32,900
<ul style="list-style-type: none"> <li>Financing Assistance CDBG-DR/ Reporting Assistance (Task 9)</li> </ul>	260	52,000
<b>SUBTOTAL Emergency Backup Power</b>		<b>\$ 137,350</b>

**PASSAIC VALLEY WATER COMMISSION**

**CHANGES IN SCOPE OF PROFESSIONAL SERVICES FOR  
PROJECT 12-P-43 ENTITLED "PROFESSIONAL ENGINEERING  
SERVICES-EMERGENCY BACK-UP POWER AND WATER STORAGE  
FACILITIES-DESIGN, PERMITTING AND CONSTRUCTION  
ADMINISTRATION SERVICES"**

**PROFESSIONAL SERVICES FOR  
ADDITIONAL PROJECT MODIFICATIONS  
(CONTRACT AMENDMENT NO. 3)**

**PVWC'S FINANCIAL CERTIFICATION SHEET**

**EXHIBIT C**

# OFFICE OF THE COMPTROLLER

## CERTIFICATION OF AVAILABILITY OF FUNDS

It is hereby certified that subject to Commission approval of future Budgets, with respect to multi-budget year contracts, there are or will be sufficient available funds for expenditures to be incurred as result of any contract or commitment to be entered into by Passaic Valley Water Commission as follows:

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Description of Project or Contract:

**Professional Engineering Services** for Project # 12-P-43 – Professional Services for Emergency Back-Up Power and Water Storage Facilities Design, Permitting and Construction Administration Services. (**CH2M Hill**).

Amount of Project or Contract not to exceed: **\$3,531,087 including contract amendments 1, 2 and 3**

2015 Budgeted amount \$2,122,000

2016 Budgeted amount \$874,000

1. Acct #: 001-0901.419-95-24 **BUDGET 2015**

Other Comments: **Professional Services**

Date of Certification: July 7, 2015



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Yitzchak Weiss, CPA  
Comptroller and Chief Financial Officer  
Passaic Valley Water Commission

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