

**RESOLUTION 18-105**  
**RESOLUTION OF PASSAIC VALLEY WATER COMMISSION**  
**STATE CONTRACT #T1316 11-x-21415**  
**RENEWAL OF MAINTENANCE CONTRACT**  
**FOR PVWC'S PHONE/IVR SYSTEM**  
**DATE OF ADOPTION: DECEMBER 19, 2018**

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: **SANCHEZ**

Seconded by Commissioner: **VANNOY**

**WHEREAS**, under the current New Jersey State Contract #T1316 11-x-21415 (herein the "State Contract"), PVWC requires renewal of its current contract with NEC Corporation of America for continued maintenance of PVWC's phone/IVR system; 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 renewal of the current contract with NEC Corporation of America (the "Awardee") under the State Contract, and a copy of a memorandum dated December 5, 2018 from PVWC's Director of Purchasing, along with other relevant correspondence, is attached hereto and made a part hereof as Exhibit A; and

**WHEREAS**, the agreement shall be for a five (5) year term commencing January 31, 2019 and extending through January 30, 2024 totaling \$414,458.06 over the five (5) year duration of the Agreement; 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, the Director of Engineering, and the Comptroller 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;

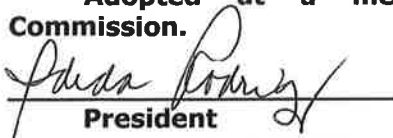
1. That the State Contract for renewal of the maintenance contract for PVWC's phone/IVR system is hereby awarded to the Awardee as set forth hereinabove; and
2. That the appropriate officers and employees of PVWC are hereby authorized and directed to perform such acts and execute such documents as are consistent herewith, with respect to 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>FRIEND, G.</b>	—	—	—	<u><b>X</b></u>
<b>VANNOY, R.</b>	<u><b>X</b></u>	—	—	—
<b>LEVINE, J.</b>	<u><b>X</b></u>	—	—	—
<b>KOLODZIEJ, J.</b>	<u><b>X</b></u>	—	—	—
<b>VAN RENSALIER, R.</b>	<u><b>X</b></u>	—	—	—
<b>SANCHEZ, R.</b>	<u><b>X</b></u>	—	—	—
<b>RODRIGUEZ, I.</b>	<u><b>X</b></u>	—	—	—

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

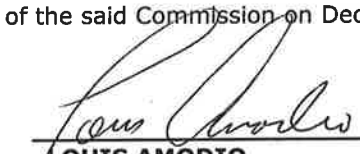
  
**President**  
**IDIDA RODRIGUEZ**

  
**Secretary**  
**JOSEPH KOLODZIEJ**

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

### **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 thereof of the foregoing Resolution duly passed and adopted by a majority of a legal quorum of the full membership of the Passaic Valley Water Commission at its duly noticed and convened meeting of the said Commission on December 19, 2018.

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

**PASSAIC VALLEY WATER COMMISSION**

**STATE CONTRACT #T1316 11-x-21415  
RENEWAL OF MAINTENANCE CONTRACT  
FOR PVWC'S PHONE/IVR SYSTEM**

**PVWC'S PURCHASING DEPARTMENT'S  
MEMORANDUM DATED DECEMBER 5, 2018  
AND OTHER RELEVANT CORRESPONDENCE**

**EXHIBIT A**

PASSAIC VALLEY WATER COMMISSION

INTER-OFFICE MEMO

DATE: December 5, 2018

FROM: Purchasing Department

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

RE: **State Contract # T1316 11-x-21415 – NEC Corporation - Maintenance**

Maintenance on our NEC Corporation Phone/TVR system is due for renewal. The attached agreement is for a Five (5) year term (January 01, 2019 through January 30, 2024) payable at an amount, totaling \$414,458.06 for the full five year term. The Finance Department has certified the availability of funds (attached).

As proprietary software, this award without bidding is provided for under LCPL 40A:11-5 (dd).

Respectfully submitted,

Gregg B. Lucianin  
Buyer

cc: L. Amodio  
J. Duprey

**TERM CONTRACT SEARCH BY TNUMBER**

[Click Here](#) to search more Term Contracts

T-Number	Title	Vendor	Contract #
T2761.14-X- 22600	NON-OEM AUTOMOTIVE PARTS & ACCESSORIES FOR LIGHT DUTY VEHICLES	AUTO PARTS CONNECTION	86003
T2085.17-X- 23842	AUTOMOTIVE PARTS FOR HEAVY DUTY VEHICLES (CLASS 5 OR HIGHER, OVER 15,000 LB GVWR)	MAINTENANCE CONNECTION	42109
T1316.11-X- 21415	TELECOMMUNICATIONS EQUIPMENT & SERVICES	NEC CORPORATION OF AMERICA	80801
TOP			



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**Name: Passaic Valley Water Commission**

**Quote Number: 189392**

**Expiration Date: 12/30/2018**

**Submitted To: Jim Duprey**

**Submitted By: James Hardin**

**Address: 1525 Main Avenue Clifton, NJ 07011**

**Address:**

**Title:**

**Title:**

**Phone:**

**Phone: 973 885 6915**

**EMAIL:**

**EMAIL:**

		Total:
Year One		
	Equipment / Software SubTotal:	\$61,483.56
	Services SubTotal:	\$40,123.54
	Maintenance SubTotal:	\$96,877.00
	Year One Sub-Total	<b>\$198,484.10</b>
Year Two		
	Equipment / Software SubTotal:	\$0.00
	Services SubTotal:	\$19,165.92
	Maintenance SubTotal:	\$34,827.57
	Year Two Sub-Total	<b>\$53,993.49</b>
Year Three		
	Equipment / Software SubTotal:	\$0.00
	Services SubTotal:	\$19,165.92
	Maintenance SubTotal:	\$34,827.57
	Year Three Sub-Total	<b>\$53,993.49</b>
Year Four		
	Equipment / Software SubTotal:	\$0.00
	Services SubTotal:	\$19,165.92
	Maintenance SubTotal:	\$34,827.57
	Year Four Sub-Total	<b>\$53,993.49</b>
Year Five		
	Equipment / Software SubTotal:	\$0.00
	Services SubTotal:	\$19,165.92
	Maintenance SubTotal:	\$34,827.57
	Year Five Sub-Total	<b>\$53,993.49</b>
<b>Totals (Including discount valid until 12-31-2018):</b>		<b>\$414,458.06</b>



Name: Passaic Valley Water Commission

Quote Number: 189392

SV9300/UM8000/UCE/Call Accounting and Enghouse Contact Center  
Migration/Upgrades with 5 years Maintenance including yearly software upgrades

Expiration Date: 12/30/2018

Qty	Part Number	Description	Sell Price	Ext Sell Price
<b>SYSTEM</b>				
247	BE114547	SV93 IP EXT MIGRATION	\$0.00	\$0.00
9	BE114010	SV93 VOIP CH-16 LIC	\$0.00	\$0.00
1	BE108399	CHS1U RACK MOUNT KIT	\$46.77	\$46.77
1	Q24-DN000000108598	SV93 ATT SYS LIC	\$0.00	\$0.00
2	Q24-UW000000107839	SV93 REMOTE LINK MIGRATION KIT	\$2,733.08	\$5,466.16
1	BE114791	SV93 EMG OS NOTIFICATION LIC	\$0.00	\$0.00
2	BE114792	SV93 UCPF - ADD SMB NODE	\$0.00	\$0.00
18	Q24-UW000000107958	SV93 BASIC USER-1 LIC	\$55.54	\$888.64
180	BE114549	SV93 UPG EMPOWERED USER-1 LIC	\$0.00	\$0.00
60	BE114548	SV93 A/D EXT MIGRATION	\$0.00	\$0.00
72	Q24-UW000000107955	SV93 RESOURCE-1 LIC	\$0.00	\$0.00
6	BE114010	SV93 VOIP CH-16 LIC	\$187.08	\$1,122.48
1	BE114785	SV93 UCM EXT-100 LIC	\$0.00	\$0.00
60	BE114784	SV93 UCM EXT-1 LIC	\$0.00	\$0.00
1	BE114011	SV93 SYS DUAL CPU OPTION	\$0.00	\$0.00
1	Q24-UW000000107410	SV93 SIP DUAL CPU MIGRATION KIT	\$8,958.92	\$8,958.92
2	Q24-DN000000128886	SV9193 NMC XMP AUDIO CONF PORT LIC-08	\$204.62	\$409.24
1	Q24-FR000000122729	GCD-NMC XMP-SVRU2	\$1,140.00	\$1,140.00
5	BE114543	SV93 SIP TRK-1 LIC	\$0.00	\$0.00
1	Q24-DN000000108480	SV93 OAMNFOLNK RUNTME INSTNC-SMB (MIG)	\$0.00	\$0.00
180	Q24-UW000000107958	SV93 BASIC USER-1 LIC	\$0.00	\$0.00
1	BE114026	SV93 SYS FAILOVER OPTION	\$0.00	\$0.00
25	BE114017	SV93 SOFTPHONE-1 LIC	\$0.00	\$0.00
2	BE114794	SV93 ATT LOOP-1 LIC	\$0.00	\$0.00
1	BE114022	SV93 REMOTE UNIT-1 LIC	\$0.00	\$0.00
1	Q24-UW000000107974	SV93 SYS MIGRATION	\$0.00	\$0.00
1	BE116150	OAMNFOLINK C++ RUNTIME INSTANCE SMB	\$0.00	\$0.00
1	Q24-FR000000133513	UCE APPLICATION SUITE MEDIA	\$0.00	\$0.00
1	Q24-FR000000134824	SV93 V8 UC VERSION LIC	\$0.00	\$0.00
1	FREIGHT/TRANSPORT	FREIGHT CHARGES/TRANSPORT	\$749.23	\$749.23
1	Q24-FR000000119551	Call Accounting Remote Migration/Upgrade Services	\$3,558.92	\$3,558.92
1	Q24-FR000000119551	Enghouse provided dialogic board	\$1,848.15	\$1,848.15
1	N8100-2561F	Call Accounting Server SVR,R120H-1M,3.5",0XCPU/MEM/HDD/C	\$4,477.85	\$4,477.85
1	N8101-1113	CPU,XEON 4110,2.10G,8C/16T,11MB,85W	\$1,012.85	\$1,012.85
1	N8102-708	MEM,DDR4-2668,1X8G/SR,REG	\$300.46	\$300.46
1	N8150-554	HDD,SATA,3.5",1TB(7.2K,512N,8GBPS)	\$261.69	\$261.69
2	N8151-137	DVD,SLIM,DVD DRV,INTERNAL	\$98.92	\$193.84
1	N8143-132	CHA,RAIL KIT,TOOL FREE,1U,3.5"SVR	\$98.92	\$98.92
1	K410-375(00)	CBL,INTERNAL,DVD,SATA	\$48.48	\$48.48
1	N8181-159	PSU,500W,HOTPLUG,80+ PLATINUM,PWR SUPPLY	\$261.69	\$261.69
1	Q24-HL00000007085	/PA/LOCLZN KIT,IEC320 C13-NEMA 5-15P CBL	\$0.00	\$0.00

Confidential

Prepared by Jim Hardin, NEC

11/30/2018



1	Q24-FR000000132795	/PA/BTO,W2016S 16CORE DG W2012SR2 STD GP	\$909.14	\$909.14
1	Q24-FR000000128513	/PA/BTO,W2012S/W2016S 5-USER CAL GP	\$231.92	\$231.92
2	Q24-DN000000073434	1Y EXTSTD 1U-2U GP Server Maint	\$391.00	\$782.00
3	N8100-2557F	Enghouse Servers (2), UCE Server (1) SVR,R120H-1M,2.5",0XC	\$4,565.06	\$13,695.24
3	N8101-1113	CPU,XEON 4110,2.10G,8C/16T,11MB,85W	\$1,012.85	\$3,038.55
3	N8101-1114	CPU,XEON 4110,2.10G,8C/16T,11MB,85W	\$1,104.92	\$3,314.76
6	N8102-710	MEM,DDR4-2666,1X16G/DR,REG	\$523.38	\$3,140.28
6	N8150-547	HDD,SAS,2.5",600GB(10K,512N,12GBPS)	\$416.77	\$2,500.62
3	N8103-189	BRD,RAID DAC,(0/1),8PORT,STD HS	\$252.00	\$756.00
6	N8151-137	DVD,SLIM,DVD DRV,INTERNAL	\$96.92	\$581.52
3	N8143-131	CHA,RAIL KIT,TOOL FREE,1U,2.5"SVR	\$87.23	\$261.69
3	K410-376(00)	CBL,INTERNAL,SAS/SATA,2.5"	\$184.15	\$552.45
3	N8117-03	CHA,INTERNAL DVD,INSTALLATION KIT,2.5"	\$87.23	\$261.69
3	307-00012-000	CRU PWR CBL, US	\$3.86	\$11.64
6	N8181-159	PSU,500W,HOTPLUG,80+ PLATINUM,PWR SUPPLY	\$261.69	\$1,570.14
3	Q24-HL000000007085	/PA/LOCLZN KIT,IEC320 C13-NEMA 5-15P CBL	\$0.00	\$0.00
3	Q24-FR000000132795	/PA/BTO,W2016S 16CORE DG W2012SR2 STD GP	\$909.14	\$2,727.42
3	Q24-FR000000128513	/PA/BTO,W2012S/W2016S 5-USER CAL GP	\$231.92	\$695.76
6	Q24-DN000000073434	1Y EXTSTD 1U-2U GP Server Maint	\$391.00	\$2,346.00
			Sales Price	\$66,213.09
SERVICES				
74	Q24-DN000000125403	TECHNICIAN - SV9300/UC/Call Accounting	\$104.65	\$7,744.10
24	Q24-DN000000125402	PROJECT MANAGER SR - SV9300/UC/Call Accounting	\$178.51	\$4,284.24
46	Q24-DN000000125397	ENGINEER - SV9300/UC/Call Accounting	\$148.20	\$6,725.20
16	Q24-DN000000125403	TECHNICIAN - Enghouse Migration/Upgrade	\$104.65	\$1,674.40
12	Q24-DN000000125402	PROJECT MANAGER SR - Enghouse Migration/Upgrade	\$178.51	\$2,142.12
1	Q24-DN000000118141	Enghouse CC and QMS Migration/Upgrade Services	\$37,375.97	\$37,375.97
98	Q24-DN000000125403	TECHNICIAN Upgrade Services years 2-5	\$104.65	\$10,046.40
16	Q24-DN000000125402	PROJECT MANAGER SR Upgrade Services years 2-5	\$178.51	\$2,856.16
1	Q24-DN000000118141	Enghouse Upgrade Services years 2-5	\$52,923.08	\$52,923.08
			Sales Price	\$125,771.67
SWA - Maintenance				
2058	BE115107	SWA PSA SV9300 UNIT - 5 years	\$7.76	\$16,019.02
1	Q24-DN000000118151	Enghouse Year 1 Maintenance	\$34,230.77	\$34,230.77
1	Q24-DN000000118151	Enghouse Maintenance years 2-5	\$136,923.08	\$136,923.08
1	Q24-DN000000116820	5 years NEC Maintenance	\$37,299.23	\$37,299.23
1	Q24-DN000000118151	Call Accounting Maintenance years 2-5	\$16,560.00	\$16,560.00
1	Q24-DN000000126055	NECOMMAND STANDARD MONITORING 5YR		
2		Appliance Based NEC PBX(s)	\$1,512.00	\$3,024.00
4		Physical Application Server	\$1,512.00	\$6,048.00
1	Q24-DN000000126046	NECOMMAND PREMIUM MANAGEMENT 24X7 5YR		
1		Appliance Based NEC PBX(s)	\$3,288.00	\$3,288.00
			Sales Price	\$253,392.10
Ship To: Passaic Valley Water Commission			Total Price:	\$445,376.86
1625 Main Avenue			Additional Discount (valid until 12-31-2018):	(\$30,918.80)
Clifton, NJ 07011			Grand Total:	\$414,458.06
Location ID: Q242145630-0001				
Hardware Key Code: 18CYG-IPS-00000000B1902123BC				

All Purchase Orders must be issued to NEC Corporation of America  
This pricing is valid for 30 days subject to the parties executing a scope of work and NEC's receipt of a purchase order within the 30 days.

# NEC NEC Corporation of America

Passaic Valley Water District  
FIRM FIXED PRICE STATEMENT OF WORK  
NEC Five Year Maintenance SV9300 Project

This Statement of Work ("SOW") between NEC Corporation of America, a Nevada Corporation, having its principal place of business at 3929 West John Carpenter Freeway, Irving, TX 75063 ("NEC") and Passaic Valley Water District having its principal place of business at 1525 Main Avenue, Clifton, NJ 07011 ("Customer") and is effective as of the date last signed below ("Effective Date"). If a Master Purchase Agreement ("MPA") is already in place between NEC and Customer, this SOW is governed by and made part of that MPA and any conflicting terms will be resolved in favor of the MPA. If no MPA exists, then this SOW shall govern.

Customer is engaging NEC to perform services described in the Scope Section of this SOW for the price set forth in the Pricing Section. This SOW defines the Services/Products that NEC will deliver to, or perform for Customer (the "Services").

The parties hereby agree and consent to the signing of this SOW and any amendments may be accomplished by electronic signature and shall have the same validity and effect as an original handwritten signature.

Agreed and Accepted:

Passaic Valley Water District

NEC Corporation of America

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

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

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## **1. SERVICES BACKGROUND**

NEC is providing Passaic Valley Water Commission with five years of support to include a migration of their NEC SV8300 to SV9300; UC for Enterprise, Enghouse Contact Center Applications and CommView Call Accounting application upgrades on new hardware servers.

## **2. THIS SOW DETAILS THE PROJECT THAT CUSTOMER IS ENGAGING NEC TO PERFORM. TASKS TO BE PERFORMED BY NEC**

Customer is engaging NEC to perform the following tasks and/or deliver the following equipment:

- ☐ NEC has provided five (5) years of Software Assurance and Maintenance on all existing and new equipment and server hardware
- NEC has included yearly software upgrades on the SV9300, UM8000, UCE, Enghouse Contact Center Applications and CommView Call Accounting.
- ☐ Project Management
  - Coordinate, facilitate, and document project meetings and conference calls
  - Create, maintain and provide to all team members a master contact list
  - Develop Project Plan and establish schedule for the project
  - Create and customize a project work package, and distribute to the project team as required
  - Develop test plan
  - Coordinate project scope change orders as required for additional labor outside this initial SOW (Scope Of Work)
  - Work with Client to gather needed site specific information (Network, PBX, IT, security issues, etc.)
  - Provide technical documentation related to the NEC products and applications being installed
  - Provide details on product-related technical and non-technical questions
  - Provide coordination for on-site field engineer installation presence
  - Complete systems installation acceptance documentation
  - Make recommendations based on NEC best practices for back-up strategy.
- ☐ Implementation preparation
  - Review architecture design (as applicable).
  - Review protocol requirements
  - Review equipment space and environmental requirements
  - Review electrical requirements
  - Provide documentation and tools for developing System database.
  - Recommend configuration of security safeguards for the System.
  - Recommend configuration aspects to maximize System performance.

- Set cutoff date (no fewer than 10 business days prior to cutover) for any major and design impacting database changes.
- Installation, cutover and testing
- SV9300 and Applications Installation
  - Unpack, inventory, inspect and record serial numbers and MAC Addresses for all components.
  - Obtain back-up of existing SV8300 database
  - In NEC lab
    - Setup migration and convert SV8300 database
    - Load converted SV8300 database on a new SV9300 CPU's
    - Software upgrade of UM8000 voice messaging
  - Installation and Upgrade of UC for Enterprise Application on new hardware server
  - Installation and Upgrade of Enghouse Contact Center Applications on two (2) new hardware servers
    - CTI Server Upgrade – from 8.1 to 10
    - QMS Server Upgrade to v7
  - Installation and Upgrade of @comm CommView Call Accounting Application on new hardware server
- Cutover
  - Replacement of PVAA card (16 ports) for conferencing with 16 ports of GCD-NMC XMP-SVRU2 16-port blade
  - Installation of SV9300 CPU's in SV8300 chassis
    - Dual CPU's in Main system
    - Single CPU in Remote unit
    - Single CPU for Failover unit
  - Cutover of UCE, Enghouse Contact Center and CommView Application servers
  - Reset System
  - Complete System Integration testing
- First day of service support
  - NEC will provide one day of support, eight (8) hours
- Client review and acceptance
  - Project Close-out Project review
  - Assessment of project work
  - Identification of remaining issues

- Research and resolution of issues

Customer confirms that the following items are not within the scope of the project:

- ☐ Station cabling
- ☐ Patch panels
- ☐ UPS battery back-up
- ☐ Administration Training
- ☐ End User Training
- ☐ Database changes

### **3. TASKS TO BE PERFORMED BY CUSTOMER**

Customer assumes responsibility for completion of the following tasks:

- ☐ Review and approve architecture design
- ☐ Identify locations for Product, server and any data connections that will be required for the successful installation of the system.
- ☐ Provide a secure storage area for equipment to be shipped
- ☐ Provide an On-Site Staging room
- ☐ Review and approve architecture design
- ☐ Client is responsible for LAN/WAN network and site readiness prior to NEC scheduling on-site installation. NEC will provide site requirements for the location during planning sessions.
- ☐ Provide power for all hardware being installed
- ☐ LAN Switch Modifications as per instructions received from NEC
- ☐ Client will provide current network schematic, network layer addresses and system name information for devices to be installed.
- ☐ Assignment of needed LAN drop(s), dedicated IP address (es), domain user account (s) with basic domain permissions (depending on configuration, and additional network configuration settings that may be needed to facilitate System's integration.
- ☐ Provide appropriate network accounts and privileges necessary to implement SV9300 solution.
- ☐ Provide continuous network access and local administration user rights to the application servers defined in this SOW for the duration of the project. Access will only be used to perform the activities and services described in this SOW
- ☐ Approve test plan.
- ☐ Keep track of all database changes made after back-ups have been completed.

### **4. ROLES TO BE STAFFED BY NEC**

NEC will staff the following project roles:

- ☐ Project Manager
- ☐ Technician

- ☐ Engineer

#### **5. ROLES TO BE STAFFED BY CUSTOMER**

Customer will staff the following project roles:

Customer Project Manager

##### **Responsibilities:**

- ☐ Review and validate business and technology requirements
- ☐ Maintain communications with the NEC project manager
- ☐ Facilitate task management and scope monitoring within the Customer team
- ☐ Participate in project planning activities
- ☐ Facilitate coordination between the NEC and Customer project teams and Customer stakeholders
- ☐ Answer all questions and facilitate all necessary site access needed to perform the work
- ☐ Issue any change orders needed for modifications to the scope of work described herein.
- ☐ Sign off on acceptance of NEC work products

#### **6. PROJECT VENUE**

1525 Main Avenue, Clifton, NJ 07011

#### **7. EQUIPMENT TO BE DELIVERED**

As part of the SOW, NEC will deliver the equipment listed on the attached Bill of Material ("BOM") as Exhibit A. The equipment shall bear NEC's standard warranty for the equipment which is one (1) year from delivery. NEC has provided five (5) years of Software Assurance and Maintenance on all existing and new equipment and server hardware. NEC also has included yearly software upgrades on the SV9300, UM8000, UCÉ, Enghouse Contact Center Applications and CommView Call Accounting. Hardware has not been included for the yearly software upgrades as it is not known at this time if it will be required. Hardware requirements when needed will be an additional cost. Unless otherwise noted in the BOM Exhibit A, equipment shall be installed and commissioned by NEC.

#### **8. ESTIMATED PROJECT FEES AND PAYMENT TERMS**

The price for this project is shown on the attached BOM-Exhibit A. The foregoing price does not include any applicable taxes, shipping fees or travel & living expenses if any, or any other items excluded above unless specifically stated in the pricing hereafter. The price shall be invoiced in accordance with the following schedule:

- 100% of Product price invoiced upon Delivery;
- 50% of related Services upon execution of this SOW; and,
- 50% of related Services upon Project Acceptance.
- 100% of Software Assurance/Warranty cost upon Project Acceptance.

All payments are due within thirty (30) days from the date of an invoice unless otherwise expressly agreed to by the Parties in writing. If Customer fails to pay the undisputed portion of any invoice within the time specified, NEC may charge Customer interest equal to the lesser of 1.5% per month [eighteen percent (18%) per annum] or the maximum rate allowed by law on such undisputed portion. NEC's provision of Equipment and/or Services is subject credit approval for each transaction. Customer

understands that any information obtained by NEC from any third party credit bureau for the purpose of verifying Customer's credit worthiness will be held in confidence and will remain the property of NEC, whether or not credit is extended

#### **9. KEY PLANNING ASSUMPTIONS**

Customer confirms the accuracy of the following key planning assumptions, which were applied by NEC in drafting the estimates of fees and timelines quoted in this SOW.

- Customer will review all work products submitted to it in accordance with agreed schedules and will communicate any perceived deficiencies in a sufficiently timely manner so as to enable NEC to correct these and resubmit them such that subsequent activities will not be materially delayed.
- Customer staff whose input/support is required in order to progress the project will be made available as needed on reasonable notice. NEC will ensure that all meetings/communications are adequately prepared to insure constructive use of Customer staff's time. Customer staff will be sufficiently qualified and familiar with the goals of the project and the products, techniques and technologies used therein to ensure their ability to carry out their respective duties and assignments.
- Customer will not hold NEC responsible for any delays that arise due to the failure of any third-party software or hardware or other solution components to deliver the functionality or performance that NEC and Customer might reasonably expect them to deliver on the basis of their respective specifications and/or claims and representations of the third-party vendor in question, provided that those third-party vendors are not direct subcontractors of NEC.
- Customer will not hold NEC responsible for any delays that arise due to failure of third-party vendors to meet agreed deadlines provided that those third-party vendors are not direct subcontractors of NEC.
- Customer will provide NEC with all documentation, including standards, policies, and specifications that are required for NEC to be successful in the performance of the tasks for which Customer has engaged NEC. These materials will be timely provided in correlation with the sequence of activities in the project plan.
- Except as provided by NEC, Customer has procured, or will procure and provide to NEC prior to the commencement of the project, all hardware, software licenses or other licenses required for the execution of the project.
- Customer has arranged, or will arrange prior to the commencement of the project, access for NEC staff to all Customer IT resources required for NEC to complete the tasks for which Customer has engaged NEC.
- For work conducted on Customer premises, Customer will provide NEC staff with necessary building access and an adequate work environment, including LAN and Internet connectivity, desks, phones, printer and other standard office resources.
- For work conducted outside Customer premises, Customer will provide NEC staff with a remote access solution that has sufficient performance and reliability as to allow NEC to complete the tasks for which Customer has engaged NEC with a timeliness that is consistent with the project plan, to be finalized by the NEC Project Manager after kickoff.
- Schedule any required outages with any and all change management entities that may be required for implementation.

#### **10. CHANGE MANAGEMENT PROCEDURES**

In the event that Customer requests a change to any aspect of the project described in this SOW including, but not limited to, NEC's assigned project tasks or the project schedule, Customer will give NEC written notice which describes in reasonable detail the requested change. Within ten (10) business days after the date of such written notice, NEC will give Customer a responsive written notice in the form of a "Change Request Form", included as Schedule A of this SOW, reiterating Customer's desired change(s) and informing Customer as to the effect of the change(s) on the project fees, timelines and/or other aspects of the project. Within ten (10) business days after delivery to Customer of any draft Change Order, the parties will use all reasonable efforts to finalize the Change Order. In the event that the parties do not reach agreement as to a Change Order within the ten (10) day period, NEC will have the right, subject to Customer's rights to terminate this Agreement in accordance with Section 11 of this SOW, to proceed with the project without incorporating the proposed change.

#### **11. TERMINATION**

In the event of any default or failure on the part of a Party in the performance of any of its duties, obligations or responsibilities under this Agreement, that is susceptible to cure, the non-defaulting Party may terminate this Agreement provided that the defaulting Party had been given thirty (30) days prior written notice of the default and failed to cure the default within such thirty (30) day period.

Upon termination, each Party shall promptly return any of the other Party's property, and Customer shall promptly pay any fees owed to NEC up to the effective date of the termination.

#### **12. NON-SOLICITATION**

Where permissible, Customer agrees that except as may otherwise hereafter be agreed in writing, Customer shall not directly or indirectly, individually, or together with, or through any other person, firm, corporation, or entity during and for two (2) years after the term of this SOW, in any manner approach, counsel, or attempt to induce any person who is then in the employ of or an independent contractor of NEC, to leave NEC's employ or engagement, or employ, engage or attempt to employ or engage any such person.

#### **13. CONFIDENTIALITY**

Customer and NEC (each a "Recipient") shall protect and keep confidential all non-public information ("Confidential Information") disclosed by the other party (each a "Discloser"), whether or not it is marked or identified as "Confidential Information" by the Discloser, and shall not, except for the purposes of performing the project tasks defined in this SOW, use or disclose any such Confidential Information. Confidential Information shall include, without limitation, computer programs, code, algorithms, know-how, methodology, trade secrets, formulas, processes, ideas, inventions (whether patentable or not), schematics and other technical, business, pricing and fee schedules, financial and product development plans, customer lists, information regarding distribution channels, forecasts, and strategies.

Upon termination or expiration of this SOW, at Discloser's request Recipient shall return to Discloser all written materials that contain any Confidential Information. The obligations of confidentiality shall not apply to any information which: (i) was previously known to Recipient; (ii) is or becomes publicly available, through no fault of Recipient; (iii) is disclosed to Recipient by a third party having no obligation



of confidentiality to Discloser; (iv) is independently developed by Recipient; or (v) is required to be disclosed as a matter of law.

#### **14. LIMITATIONS ON LIABILITY AND DISCLAIMER**

OTHER THAN AS SPECIFICALLY SET FORTH HEREIN, NEC MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AND IN NO EVENT SHALL NEC HAVE ANY LIABILITY IN CONNECTION WITH ANY SUCH REPRESENTATION OR WARRANTY. EXCEPT IN CASES OF GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT BY NEC, IN NO EVENT SHALL NEC HAVE ANY LIABILITY, OBLIGATION OR RESPONSIBILITY TO CUSTOMER OR ANY OTHER PERSON OR ENTITY FOR ANY LOSS OF RECORDS OR DATA OR FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES OF ANY KIND OR NATURE WHATSOEVER, OR DAMAGES FOR LOSS OF PROFITS, REVENUE, DATA OR USE, ARISING IN ANY WAY IN CONNECTION WITH THIS SOW INCLUDING, BUT NOT LIMITED TO, DAMAGE TO PROPERTY, INJURY TO PERSONS, LOST PROFITS, OR DELAYS OR INCONVENIENCE, WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED TO NEC IN ADVANCE OR COULD HAVE BEEN REASONABLY FORESEEN BY NEC AND WHETHER IN AN ACTION BASED ON CONTRACT, WARRANTY, STRICT LIABILITY, TORT OR OTHERWISE.

EXCEPT IN CASES OF GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT, NEC'S LIABILITY FOR DAMAGES ARISING OUT OF THIS SOW AND ANY SERVICES PERFORMED HEREUNDER, WHETHER IN AN ACTION BASED ON CONTRACT, WARRANTY, STRICT LIABILITY, TORT OR OTHERWISE, SHALL NOT EXCEED THE TOTAL AMOUNT PAID BY CUSTOMER TO NEC HEREUNDER FOR SERVICES PERFORMED.

#### **15. INTELLECTUAL PROPERTY RIGHTS.**

All work created and delivered hereunder will not be deemed work for hire, and NEC and its third party suppliers hereby retain all copyright, patents, and other intellectual property rights in such work to Customer. In connection with the provision of services hereunder, NEC may provide or use certain pre-existing materials, information, software components and proprietary tools to NEC (collectively, "NEC Standard Materials and Tools") which intellectual property ownership shall also be retained. Customer acknowledges that all right, title and interest in and to all such intellectual property and derivative works thereof are and remain the exclusive property of NEC or its suppliers. Customer shall be granted a non-exclusive right and license to use such products and software delivered pursuant to this SOW in accordance with its terms.

#### **16. TERM**

NEC's services shall commence on kickoff date which will be communicated by NEC Project Manager and are anticipated to end according to the project schedule defined after kickoff. NEC shall use commercially reasonable efforts to provide Customer with the staff necessary to fulfill the NEC project roles for the entire duration of this period or the completion of all of NEC's assigned tasks, whichever occurs earlier. NEC makes no guarantee that the completion date is capable of being met and will so advise Customer upon making a determination that the date cannot be met.

#### **17. ENTIRE AGREEMENT**

This SOW constitutes the entire agreement between Customer and NEC with regard to the Services contemplated herein and it may not be amended unless such amendment is in writing and signed by

both parties hereto. To the extent an MPA is in force between the parties, then the terms of the MPA shall control over any conflicting terms of this SOW. This SOW is governed by the laws of the State of Texas without regard to its conflict of laws provisions.

#### **18. ENFORCEABILITY**

Any term or provision of this SOW which is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this SOW or affecting the validity or enforceability of any of the terms or provisions hereof in any other jurisdiction.

**SCHEDULE A**  
**Change Request**

In accordance with Section 10 of the SOW (Change Management Procedures), NEC Corporation of America, Inc. ("NEC") and Passaic Valley Water Commission ("Customer"), certify, by the signature of an authorized representative, that this Change Management Request will amend and be fully incorporated into the existing Statement of Work (SOW) for <Project Description>.

1. Change Request Number: \_\_\_\_\_

2. Reason for Change Request:

3. Changes to SOW:

4. Schedule Impact:

5. Cost Impact:

	SOW/Change Request	Equipment	Services	Total
a.	Previous Project Price	\$____	\$____	\$____
b.	Change Order Price	\$____	\$____	\$____
c.	New Value of SOW:	\$____	\$____	\$____

Unless otherwise expressly agreed to by the parties in writing, all Change Orders will be invoiced or credited upon Project Completion. Sales taxes, if applicable, are not included in the Change Order Price but will be invoiced separately unless Customer has provided NEC with a valid sales tax exemption certificate prior to the date of invoice.

6. Purchase Order Issuance (check here, if applicable): ☐ Customer will issue a written PO to NEC, or will issue an amendment to the original PO issued under this SOW, for the total Change Order Price.

Except as changed herein, all terms and conditions of the SOW remain in full force and effect. Upon execution by authorized representatives of the parties, this Change Request becomes a binding change order ("Change Order").

Passaic Valley Water Commission

NEC Corporation of America

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

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

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# BILL OF MATERIAL (BOM) EXHIBIT 1-A



Name: Passaic Valley Water Commission

Quote Number: 189392

SV8300/UMB000/UCB/Call Accounting and Enghouse Contact Center Migration/Upgrades with 5 years Maintenance including yearly software upgrades

Expiration Date: 12/30/2018

Qty	Part Number	Description	Unit Price	Ext. Unit Price
<b>SYSTEM</b>				
247	BE114547	SV93 IP EXT MIGRATION	\$0.00	\$0.00
9	BE114010	SV93 VOIP CH-16 LIC	\$0.00	\$0.00
1	BE106309	CHS1U RACK MOUNT KIT	\$46.77	\$46.77
1	Q24-DN000000106508	SV93 ATT SYS LIC	\$0.00	\$0.00
2	Q24-LW000000107639	SV93 REMOTE LINK MIGRATION KIT	\$2,733.08	\$5,466.16
1	BE114791	SV93 EMG OS NOTIFICATION LIC	\$0.00	\$0.00
2	BE114792	SV93 UCFF - ADD SMB NODE	\$0.00	\$0.00
18	Q24-LW000000107050	SV93 BASIC USER-1 LIC	\$55.54	\$999.72
180	BE114549	SV93 UPG EMPOWERED USER-1 LIC	\$0.00	\$0.00
60	BE114548	SV93 A/D EXT MIGRATION	\$0.00	\$0.00
72	Q24-LW000000107055	SV93 RESOURCE-1 LIC	\$0.00	\$0.00
6	BE114010	SV93 VOIP CH-16 LIC	\$187.08	\$1,122.48
1	BE114785	SV93 UCM EXT-100 LIC	\$0.00	\$0.00
80	BE114784	SV93 UCM EXT-1 LIC	\$0.00	\$0.00
1	BE114011	SV93 SYS DUAL CPU OPTION	\$0.00	\$0.00
1	Q24-LW000000107410	SV93 SIP DUAL CPU MIGRATION KIT	\$9,956.92	\$9,956.92
2	Q24-DN000000128956	SV93 NMC XMP AUDIO CONF PORT LIC-08	\$204.02	\$408.04
1	Q24-FR000000122729	GCD-NMC XMP-SVRU2	\$1,140.00	\$1,140.00
6	BE114543	SV93 SIP TRK-1 LIC	\$0.00	\$0.00
1	Q24-DN000000109480	SV93 OAI/INFOLNK RUNTIME INSTNC-SMB (MIG)	\$0.00	\$0.00
180	Q24-LW000000107055	SV93 BASIC USER-1 LIC	\$0.00	\$0.00
1	BE114026	SV93 SYS FAILOVER OPTION	\$0.00	\$0.00
25	BE114017	SV93 SOFTPHONE-1 LIC	\$0.00	\$0.00
2	BE114784	SV93 ATT LOOP-1 LIC	\$0.00	\$0.00
1	BE114022	SV93 REMOTE UNIT-1 LIC	\$0.00	\$0.00
1	Q24-LW000000107974	SV93 SYS MIGRATION	\$0.00	\$0.00
1	BE116150	OAI/INFOLNK C++ RUNTIME INSTANCE SMB	\$0.00	\$0.00
1	Q24-FR000000133513	UCB APPLICATION SUITE MEDIA	\$0.00	\$0.00
1	Q24-FR000000134824	SV93 V6 UC VERSION LIC	\$0.00	\$0.00
1	FREIGHT/TRANSPORT	FREIGHT CHARGES/TRANSPORT	\$749.23	\$749.23
1	Q24-FR000000119551	Call Accounting Remote Migration/Upgrade Services	\$3,558.92	\$3,558.92
1	Q24-FR000000119551	Enghouse provided dialogic board	\$1,846.16	\$1,846.16
1	N8100-2551F	Call Accounting Server SVR,R120H-1M,3.5",0XCPU/MEM/HDD	\$4,477.85	\$4,477.85
1	N8101-1113	CPU,XEON 4110,2.10G,8C/16T,11MB,85W	\$1,012.85	\$1,012.85
1	N8102-708	MEM,DOR4-2666,1X8G/8R,REG	\$300.46	\$300.46
1	N8150-554	HDD,SATA,3.5",1TB(7.2K,812N,8GBPS)	\$201.69	\$201.69
2	N8151-137	DVD,SLIM,DVD DRV,INTERNAL	\$96.92	\$193.84
1	N8143-132	CHA,RAIL KIT,TOOL FREE,1U,3.5"SVR	\$96.92	\$96.92
1	K410-375(00)	CBL,INTERNAL,DVD,SATA	\$48.40	\$48.40
1	N8151-159	PSU,500W,HOTPLUG,80+ PLATINUM,PWR SUPPLY	\$201.69	\$201.69
1	Q24-HL000000007085	/PA/LOCLZN KIT,IEC320 C13-NEMA 5-15P CBL	\$0.00	\$0.00
1	Q24-FR000000132795	/PA/BTO,W2016S 16CORE DG W2012SR2 STD GP	\$909.14	\$909.14
1	Q24-FR000000128513	/PA/BTO,W2012S/W2016S 5-USER CAL GP	\$231.02	\$231.02
2	Q24-DN000000073434	1Y EXTSTD 1U-2U GP Server Maint	\$381.00	\$762.00
3	N8100-2557F	Enghouse Servers (2), UCE Server (1) SVR,R120H-1M,2.5",0XC	\$4,595.08	\$13,785.24
3	N8101-1113	CPU,XEON 4110,2.10G,8C/16T,11MB,85W	\$1,012.85	\$3,038.55
3	N8101-1114	CPU,XEON 4110,2.10G,8C/16T,11MB,85W	\$1,104.02	\$3,312.06
6	N8102-710	MEM,DOR4-2666,1X16G/DR,REG	\$523.38	\$3,140.28
6	N8150-547	HDD,SAS,2.5",800GB(10K,512N,12GBPS)	\$418.77	\$2,512.62
3	N8103-189	BRD,RAID DAC,(0/1),8PORT,STD HS	\$252.00	\$756.00
6	N8151-137	DVD,SLIM,DVD DRV,INTERNAL	\$96.92	\$581.52
1	N8143-131	CHA,RAIL KIT,TOOL FREE,1U,2.5"SVR	\$87.23	\$87.23
3	K410-375(00)	CBL,INTERNAL,SAS/SATA,2.5"	\$184.15	\$552.45
3	N8117-03	CHA,INTERNAL DVD,INSTALLATION KIT,2.5"	\$87.23	\$261.69
3	307-00012-000	CRU PWR CBL, US	\$3.88	\$11.64
6	N8151-159	PSU,500W,HOTPLUG,80+ PLATINUM,PWR SUPPLY	\$261.69	\$1,570.14
3	Q24-HL000000007085	/PA/LOCLZN KIT,IEC320 C13-NEMA 5-15P CBL	\$0.00	\$0.00
3	Q24-FR000000132795	/PA/BTO,W2016S 16CORE DG W2012SR2 STD GP	\$909.14	\$2,727.42
3	Q24-FR000000128513	/PA/BTO,W2012S/W2016S 5-USER CAL GP	\$231.02	\$693.06
6	Q24-DN000000073434	1Y EXTSTD 1U-2U GP Server Maint	\$381.00	\$2,286.00
			<b>Subtotal P740</b>	<b>\$50,213.00</b>

SERVICES				
74	Q24-DN000000125403	TECHNICIAN - SV9300/UCE/Call Accounting	\$104.85	\$7,744.10
24	Q24-DN000000125402	PROJECT MANAGER SR - SV9300/UCE/Call Accounting	\$178.51	\$4,284.24
46	Q24-DN000000125397	ENGINEER - SV9300/UCE/Call Accounting	\$146.20	\$6,725.20
16	Q24-DN000000125403	TECHNICIAN - Enghouse Migration/Upgrade	\$104.85	\$1,674.40
12	Q24-DN000000125402	PROJECT MANAGER SR - Enghouse Migration/Upgrade	\$178.51	\$2,142.12
1	Q24-DN000000118141	Enghouse CC and QMS Migration/Upgrade Services	\$37,375.97	\$37,375.97
88	Q24-DN000000125403	TECHNICIAN Upgrade Services years 2-5	\$104.85	\$10,046.40
16	Q24-DN000000125402	PROJECT MANAGER SR Upgrade Services years 2-5	\$178.51	\$2,856.16
1	Q24-DN000000118141	Enghouse Upgrade Services years 2-5	\$52,923.08	\$52,923.08
			Sales Price	\$125,771.67
SWA - Maintenance				
2059	BE115107	SWA PSA SV9300 UNIT - 5 years	\$7.78	\$16,019.02
1	Q24-DN000000118151	Enghouse Year 1 Maintenance	\$34,230.77	\$34,230.77
1	Q24-DN000000118151	Enghouse Maintenance years 2-5	\$136,923.08	\$136,923.08
1	Q24-DN000000116820	5 years NEC Maintenance	\$37,299.23	\$37,299.23
1	Q24-DN000000118151	Call Accounting Maintenance years 2-5	\$16,560.00	\$16,560.00
1	Q24-DN000000126055	NECOMMAND STANDARD MONITORING 5YR		
2		Appliance Based NEC PBX(s)	\$1,512.00	\$3,024.00
4		Physical Application Server	\$1,512.00	\$6,048.00
1	Q24-DN000000126046	NECOMMAND PREMIUM MANAGEMENT 24X7 5YR		
1		Appliance Based NEC PBX(s)	\$3,288.00	\$3,288.00
			Sales Price	\$293,392.10
Ship To:		Passaic Valley Water Commission	Total Price:	\$445,378.66
		1526 Main Avenue	Additional Discount (Valid until 12-31-2018):	(\$30,918.86)
		Cifton, NJ 07011	Grand Total:	\$414,459.80
Location ID: C242145030.0001				
Hardware Key Code: 18CYG-IPS-00000000B19021236C				

All Purchase Orders must be issued to NEC Corporation of America  
This pricing is valid for 30 days subject to the parties executing a scope of work and NEC's receipt of a purchase order within the 30 days.

### Project Completion Checklist

When NEC has achieved Project Completion, NEC will submit this checklist to customer. Within 10 days of receipt, customer will either (a) sign and return this checklist to NEC as confirmation that the Project is complete, or (b) provide NEC with written notice ("Punch list") specifically detailing how the Project fails to materially conform to the specifications of this SOW. If customer fails to provide a Punch list or sign and return this checklist to NEC within 10 days of receipt, the Project will be complete and NEC will be entitled to invoice customer in accordance with the payment schedule in Section 6 of the SOW.

NEC will promptly correct any Punch list Items properly identified by customer in accordance with the requirements of the SOW and upon completion, resubmit this checklist to customer.

Upon NEC's correction of all bona fide Punch list items, customer will promptly sign this checklist and return it to NEC. If customer fails to sign and return this checklist to NEC within five (5) days of NEC's correction of Punch list items, the Project will be complete and NEC will be entitled to invoice customer in accordance with the payment schedule in Section 8 of the SOW.

#### IMPLEMENTATION TASKS / DELIVERABLES

#### COMPLETED?

#### DATE

1. Project Coordination and Planning
2. Confirmation that all Products have been delivered
3. Migration of SV8300 to SV9300
4. Software Upgrade of UM8000
5. Upgrade of UC for Enterprise application
6. Upgrade of Enghouse Contact Center applications
7. Upgrade of CommView Call Accounting application
8. System Integration Testing

<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____

This is to confirm that as of the date below NEC has completed Services and provided the Deliverables under the FINAL Quote / SOW.

Agreed and Accepted:

Passaic Valley Water Commission

NEC Corporation of America

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

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

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**PASSAIC VALLEY WATER COMMISSION**

**STATE CONTRACT #T1316 11-x-21415  
RENEWAL OF MAINTENANCE CONTRACT  
FOR PVWC'S PHONE/IVR SYSTEM**

**PVWC'S FINANCIAL CERTIFICATION SHEET**

**EXHIBIT B**

# 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 : **NEC Corporation – State Contract**  
**T1316 11-x-21415NJ**


Amount of Project or Contract: \$414,458.06 Year One Payment \$198,484.10  
(Payable annually @ \$53,993.49) For Next Four Years

1. Acct: # 001-0901-419-95-02 Capital / Pre-Paid Service Contracts

Specific Appropriation to which expenditures will be charged: Capital Budget  
2019/2020/2021/2022/2023

Other comments: Five (5) Contract Year Commencing: January 2019  
NEC Corporation Phone/IVR System Maintenance

Date of Certification: 12/05/2018 Certified: \$414,458.06

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

YW:gbl



**RESOLUTION: 18-107**  
**RESOLUTION OF PASSAIC VALLEY WATER COMMISSION**  
**DATE OF ADOPTION: DECEMBER 19, 2018**

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: **SANCHEZ**

Seconded by Commissioner: **VANNOY**

**WHEREAS**, on July 24, 2018, two (2) bids were received by Passaic Valley Water Commission ("PVWC") for Contract No. 18-B-23, "Replacement and Disposal of Filter Media at the LFWTP Totowa, New Jersey" ("Contract"), and a tabulation of bids received is attached hereto and made a part hereof as an attachment to the PVWC memorandum in Exhibit A referenced below; and

**WHEREAS**, prior to consideration for award, the second apparent low numerical bidder, Calgon Carbon Corporation ("Calgon Carbon"), in correspondence dated August 9, 2018 asserted that, among other things, the bid submitted by the apparent low numerical bidder, Carbon Activated Corporation ("Carbon Activated") be deemed invalid and non-responsive, and further asserted that the Contract should be awarded to Calgon Carbon on that basis; and

**WHEREAS**, PVWC's General Counsel thereupon determined that a bid protest hearing should be convened, pursuant to the Public Bidding Law; and

**WHEREAS**, PVWC's notice of hearing letter, dated August 28, 2018, and PVWC's subsequent notice dated September 14, 2018 revising the hearing date to October 2, 2018, was sent to all bidders, and a hearing was conducted, on the record made by a certified stenographic reporter on the revised hearing date, at the offices of PVWC as indicated in the notice, with PVWC's General Counsel presiding as Hearing Officer ("the Hearing"), copies of the referenced

notice of hearing letter and subsequent notice are attached hereto and made a part hereof as Exhibit A; and

**WHEREAS,** in accordance with the bid specifications and the notice of bidding provided with the bid documents, PVWC had considered both, rejecting all bids and re-bid of the Contract, as allowed PVWC under the Public Bidding Law, and, in the alternative, rejecting Carbon Activated's bid as being materially defective, unresponsive, not responsible, or unacceptable for other reasons required by law, and award the contract to the lowest "responsible" bidder; and

**WHEREAS,** the Hearing was attended by: appropriate PVWC personnel; representatives for the two (2) bidders, namely Carbon Activated and Calgon Carbon (the first and second apparent low numerical bidders, respectively), and a representative from Black and Veatch ("B & V"), the consultant retained by PVWC to assist PVWC with specific filter media issues associated with this project; and

**WHEREAS,** B&V's correspondence dated December 5, 2018 includes their subsequent evaluation and recommendations concerning award of the Contract, and a copy of same is attached hereto and made a part hereof as Exhibit B; and

**WHEREAS,** based on testimony and argument presented at the Hearing, and review of information and documentation, including exhibits and written argument, submitted at and subsequent to the Hearing, PVWC's General Counsel, in his capacity as Hearing Officer has determined the lowest responsible, responsive bid submitted to be that of Calgon Carbon Corporation (the "Awardee") with respect to said bid, in the amount of \$3,352,325.00; and

**WHEREAS,** PVWC's Executive Director, Director of Engineering, and Director of Purchasing, have reviewed and considered B&V's recommendations as well as PVWC General Counsel's determination and recommendation in this regard, and have concurred therewith, as

set forth in both a memorandum dated December 6, 2018, by PVWC's Director of Engineering and Executive Director, and a memorandum dated December 6, 2018 from PVWC's Director of Purchasing, copies of which are attached hereto and made a part hereof by reference, in Exhibit C; and

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

**WHEREAS,** the Public Bidding Law authorizes the award and execution of the Contract upon receipt of bids and qualification of bidders therefor;

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

1. That Contract No. 18-B-23, "Replacement and Disposal of Filter Media at the LFWTP Totowa, New Jersey" in the total amount of \$\$3,352,325.00, in connection with the above described goods and services, is hereby awarded to Calgon Carbon Corporation, as Contract Awardee; and
2. That the appropriate officers of the Commission are hereby authorized to execute the Contract and implement the terms of said Contract with the Awardee, in accordance with this Resolution and the submissions provided in connection therewith, with respect to review of bids conducted in connection with Contract 18-B-23 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>FRIEND, G.</b>	<u>      </u>	<u>      </u>	<u>      </u>	<u>  <b>X</b>  </u>
<b>VANNOY, R.</b>	<u>  <b>X</b>  </u>	<u>      </u>	<u>      </u>	<u>      </u>
<b>LEVINE, J.</b>	<u>  <b>X</b>  </u>	<u>      </u>	<u>      </u>	<u>      </u>
<b>KOLODZIEJ, J.</b>	<u>  <b>X</b>  </u>	<u>      </u>	<u>      </u>	<u>      </u>
<b>VAN RENSALIER, R.</b>	<u>  <b>X</b>  </u>	<u>      </u>	<u>      </u>	<u>      </u>
<b>SANCHEZ, R.</b>	<u>  <b>X</b>  </u>	<u>      </u>	<u>      </u>	<u>      </u>
<b>RODRIGUEZ, I.</b>	<u>  <b>X</b>  </u>	<u>      </u>	<u>      </u>	<u>      </u>

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

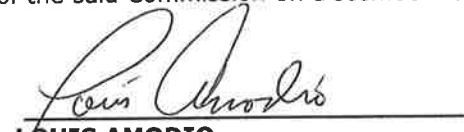
  
\_\_\_\_\_  
**President**  
**IDIDA RODRIGUEZ**

  
\_\_\_\_\_  
**Secretary**  
**JOSEPH KOLODZIEJ**

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

**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 thereof of the foregoing Resolution duly passed and adopted by a majority of a legal quorum of the full membership of the Passaic Valley Water Commission at its duly noticed and convened meeting of the said Commission on December 19, 2018.

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

**PASSAIC VALLEY WATER COMMISSION**

**CONTRACT NO. 18-B-23  
REPLACEMENT AND DISPOSAL OF FILTER MEDIA  
AT THE LFWTP TOTOWA, NEW JERSEY**

**PVWC'S NOTICE OF HEARING LETTER  
DATED AUGUST 28, 2018 (WITH BID  
TABULATION SHEET)**

**PVWC'S SUBSEQUENT NOTICE DATED SEPTEMBER 14, 2018  
REVISING THE HEARING DATE TO OCTOBER 2, 2018**

**EXHIBIT A**

**PASSAIC VALLEY WATER COMMISSION**

**CONTRACT NO. 18-B-23  
REPLACEMENT AND DISPOSAL OF FILTER MEDIA  
AT THE LFWTP TOTOWA, NEW JERSEY**

**BLACK AND VEATCH'S CORRESPONDENCE  
DATED DECEMBER 5, 2018**

**EXHIBIT B**

**PASSAIC VALLEY WATER COMMISSION**

**CONTRACT NO. 18-B-23  
REPLACEMENT AND DISPOSAL OF FILTER MEDIA  
AT THE LFWTP TOTOWA, NEW JERSEY**

**DIRECTOR OF ENGINEERING'S AND EXECUTIVE  
DIRECTOR'S MEMORANDUM DATED DECEMBER 6, 2018**

**DIRECTOR OF PURCHASING'S MEMORANDUM  
DATED DECEMBER 6, 2018**

**EXHIBIT C**

**PASSAIC VALLEY WATER COMMISSION  
INTEROFFICE MEMORANDUM**

Date: December 6, 2018

To: Honorable Commissioners

From: J. Duprey

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

Re: Contract 18-B-23 "Replacement and Disposal of  
Filter Media at the LFWTP Totowa, New Jersey"

On July 24, 2018, two (2) bids were received by Passaic Valley Water Commission ("PVWC") for Contract No. 18-B-23, "Replacement and Disposal of Filter Media at the LFWTP Totowa, New Jersey" ("Contract"), and a tabulation of bids received is included in Exhibit A referenced below.

Prior to consideration for award, the second apparent low numerical bidder, Calgon Carbon Corporation ("Calgon Carbon"), in correspondence dated August 9, 2018 asserted that, among other things, the bid submitted by the apparent low numerical bidder, Carbon Activated Corporation ("Carbon Activated") be deemed invalid and non-responsive, and further asserted that the Contract should be awarded to Calgon Carbon on that basis.

PVWC's General Counsel thereupon determined that a bid protest hearing should be convened, pursuant to the Public Bidding Law.

PVWC's notice of hearing letter, dated August 28, 2018, and PVWC's subsequent notice dated September 14, 2018 revising the hearing date to October 2, 2018 was sent to all bidders, and a hearing was conducted, on record made by a certified stenographic reporter on the revised hearing date, at the offices of PVWC as indicated in the notice, with PVWC's General Counsel presiding as Hearing Officer ("the Hearing").

In accordance with the bid specifications and the notice of bidding provided with the bid documents, PVWC had considered both, rejecting all bids and re-bid of the Contract, as allowed PVWC under the Public Bidding Law, and, in the alternative, rejecting Carbon Activated's bid as being materially defective, unresponsive, not responsible, or unacceptable for other reasons required by law, and award the contract to the lowest "responsible" bidder.

The Hearing was attended by: appropriate PVWC personnel; representatives for the two (2) bidders, namely Carbon Activated and Calgon Carbon (the first and second apparent low numerical bidders, respectively), and a representative from Black and Veatch ("B&V"), the consultant retained by PVWC to assist PVWC with specific filter media issues associated with this project.

B&V's correspondence dated December 5, 2018 includes their subsequent evaluation and recommendations concerning award of the Contract and a copy of the referenced correspondence is included as Exhibit B.

Based on testimony and argument presented at the Hearing, and review of information and documentation, including exhibits and written argument, submitted at and subsequent to the Hearing, PVWC's General Counsel, in his capacity as Hearing Officer has determined the lowest responsible, responsive bid submitted to be that of Calgon Carbon Corporation (the "Awardee") with respect to said bid, in the amount of \$3,352,325.00.

PVWC's Executive Director, Director of Engineering, and Director of Purchasing, have reviewed and considered B&V's recommendations as well as PVWC General Counsel's determination and recommendation in this regard, and have concurred therewith.



**PASSAIC VALLEY WATER COMMISSION**

**CONTRACT NO. 18-B-23  
REPLACEMENT AND DISPOSAL OF FILTER MEDIA  
AT THE LFWTP TOTOWA, NEW JERSEY**

**PVWC'S FINANCIAL CERTIFICATION SHEET**

**EXHIBIT D**

**PASSAIC VALLEY WATER COMMISSION**

**CONTRACT NO. 18-B-23  
REPLACEMENT AND DISPOSAL OF FILTER MEDIA  
AT THE LFWTP TOTOWA, NEW JERSEY**

**PVWC'S NOTICE OF HEARING LETTER  
DATED AUGUST 28, 2018 (WITH BID  
TABULATION SHEET)**

**PVWC'S SUBSEQUENT NOTICE DATED SEPTEMBER 14, 2018  
REVISING THE HEARING DATE TO OCTOBER 2, 2018**

**EXHIBIT A**



## PASSAIC VALLEY WATER COMMISSION

1525 MAIN AVENUE • P.O. BOX 230  
CLIFTON, NEW JERSEY 07011 • (973) 340-4300  
CLIFTON FAX # (973) 340-4321

### COMMISSIONERS

**Idida Rodriguez**, President, Paterson  
**Rigo Sanchez**, Vice President, Passaic  
**Robert Vannoy**, Treasurer, Paterson  
**Joseph Kolodziej**, Secretary, Clifton  
**Gerald Friend**, Commissioner, Clifton  
**Jeffrey Levine**, Commissioner, Paterson  
**Ronald Van Renssaler**, Commissioner, Passaic

VIA E-MAIL

August 28, 2018

Christopher Allen, Director  
Carbon Activated Corporation  
3774 Hoover Road  
Blasdell, New York 14219  
716-821-7830  
[callen@activatedcarbon.com](mailto:callen@activatedcarbon.com)

Robyn Galiardi  
Calgon Carbon Corporation  
3000 GSK Drive  
Moon Township, Pennsylvania 15108  
412-787-6771  
[mbu@calgoncarbon.com](mailto:mbu@calgoncarbon.com)

Re: Notice of Hearing to Consider Rejection and/or Awarding of  
Contract 18-B-23 "Replacement and Disposal of Filter Media  
at the LFWTP Totowa, New Jersey"

Dear Bidders:

Following solicitation for bids, on July 24, 2018 Passaic Valley Water Commission (PVWC) received two (2) bids with respect to the above-referenced Contract in the bid amounts as set forth on the attached tabulation of bids received for the Contract.

Calgon Carbon Corporation ("Calgon Carbon"), the second apparent low numerical bidder for this Contract, has submitted correspondence dated August 9, 2018 (see attached) which asserts, among other things, that the bid submitted by Carbon Activated Corporation ("Carbon Activated"), the apparent low numerical bid, be deemed invalid and non-responsive, and that the Contract should be awarded to Calgon Carbon on that basis.

In accordance with the specifications and the notice of bidding provided with respect to the above-captioned contract, PVWC proposes to consider the rejection of all bids and to re-bid the contract in accordance with the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.); or, in the alternative, the rejection of one or more bids as materially defective, unresponsive, not responsible, or for other reasons required by law, and award the contract to the lowest "responsible" and "responsive" bidder. Prior to taking any action with respect to said bids, the Commission will conduct a hearing to be held on September 13, 2018 at 10:00 a.m. in the

Administrative Secretary  
**Louls Amodio**

Executive Director  
**Joseph A. Bella**

General Counsel  
**George T. Hanley**



## PASSAIC VALLEY WATER COMMISSION

Notice of Hearing to Consider Rejection and/or Awarding of  
Contract 18-B-23 "Replacement and Disposal of Filter Media  
at the LFWTP Totowa, New Jersey"  
August 28, 2018  
Page 2

Conference Room at Passaic Valley Water Commission, 1525 Main Avenue, Clifton, New Jersey 07011. All bidders and other interested parties are hereby invited to attend, with or without counsel.

Any questions or concerns are to be directed to the undersigned General Counsel to Passaic Valley Water Commission at (973) 340-4313. You are urged to have your attorney or other authorized representatives contact us in this regard at the earliest possible opportunity. In the event that you intend to utilize an attorney, you need to immediately provide the undersigned with the name of your attorney, their firm, their telephone number and their e-mail address. Any facts or legal arguments you wish to present should be delivered, in writing, at least 72 hours prior to the hearing, with copies to all other parties. Bid documents are available for inspection, upon reasonable notice, by appointment in the Law Department of Passaic Valley Water Commission.

Sincerely,

  
GEORGE T. HANLEY, ESQ.  
General Counsel

Enclosures

cc: Honorable Board of Commissioners, PVWC  
James G. Duprey, Business Administrator, PVWC  
Joseph A. Bella, Executive Director, PVWC  
Gregg Lucianin, Director of Purchasing, PVWC  
Louis Amodio, Administrative Secretary, PVWC

Contract # 18-B-23  
Replacement Disposal Of Filter Media At The LFWTP

Bids Received July 24 2018

BIDDERS	BID DEPOSIT CC- Certified Check CA- Cashier's Check BB- Bid Bond	TOTAL AMOUNT OF CONTRACT	REMARKS
Calgon Carbon 3000 GSK Drive Moon Township, PA 15108 Kimberly Cain <a href="mailto:kcain@calgoncarbon.com">kcain@calgoncarbon.com</a>	Certified Check Cashier's Check 10% Bid Bond Not to Exceed \$20,000.00	\$3,352,325.00	<input checked="" type="checkbox"/> Business Registration Cert. <input checked="" type="checkbox"/> PWOC Consent of Surety <input type="checkbox"/> Other Consent of Surety <input type="checkbox"/> Public Works Cont. Cert.
Rapid Pump & Meter 285 Straight St. Paterson NJ 07509 Lili Ingersoll <a href="mailto:info@service.com">info@service.com</a> Spectraserv	Certified Check Cashier's Check Bid Bond Not to Exceed \$		Business Registration Cert. PWOC Consent of Surety Other Consent of Surety Public Works Cont. Cert.
75 Jacobus Ave South Kearney, NJ 07032 Shawn Csordos <a href="mailto:shawn@spectraserv.com">shawn@spectraserv.com</a> Ferraro Construction	Certified Check Cashier's Check Bid Bond Not to Exceed		Business Registration Cert. PWOC Consent of Surety Other Consent of Surety Public Works Cont. Cert.
5 Park Dr Franklin NJ 07416 Laura Esposito <a href="mailto:laura@ferraroconstruction.com">laura@ferraroconstruction.com</a>	Certified Check Cashier's Check Bid Bond Not to Exceed \$		Business Registration Cert. PWOC Consent of Surety Other Consent of Surety Public Works Cont. Cert.
Sparwick Contracting 18 Route 94 Lafayette, NJ 07848 Sharon Fanning <a href="mailto:sfanning@sparwick.com">sfanning@sparwick.com</a>	Certified Check Cashier's Check Bid Bond Not to Exceed \$		Business Registration Cert. PWOC Consent of Surety Other Consent of Surety Public Works Cont. Cert.

Contract # 18-B-23  
Replacement Disposal Of Filter Media At The LFWTP

Bids Received July 24, 2018

BIDDERS	BID DEPOSIT CC- Certified Check CA- Cashier's Check BB- Bid Bond	TOTAL AMOUNT OF CONTRACT	REMARKS
Hutton Construction 41 Village Park Rd Cedar Grove, NJ 07009 Anthony E. Recchia Jr. aeh@hutton1.com	Certified Check Cashier's Check Bid Bond Not to Exceed \$		Business Registration Cert. PWWC Consent of Surety Other Consent of Surety Public Works Cont. Cert.
Allied Construction Group 499 Washington Rd Parlin, NJ 08859 Matt Marcinczyk mmarcinczyk@alliedconstructgroup.co	Certified Check Cashier's Check Bid Bond Not to Exceed \$		Business Registration Cert. PWWC Consent of Surety Other Consent of Surety Public Works Cont. Cert.
Carbon Activated Corp 3774 Hoover Rd Blasdell, NJ 14219 Brandon Bender bbender@activatedcarbon.com	Certified Check Cashier's Check 10% Bid Bond Not to Exceed \$20,000.00	\$2,466,050.00	Business Registration Cert. PWWC Consent of Surety Other Consent of Surety Public Works Cont. Cert. EEO
	Certified Check Cashier's Check Bid Bond Not to Exceed \$		Business Registration Cert. PWWC Consent of Surety Other Consent of Surety Public Works Cont. Cert.
	Certified Check Cashier's Check Bid Bond Not to Exceed \$		Business Registration Cert. PWWC Consent of Surety Other Consent of Surety Public Works Cont. Cert.



August 9, 2018

Eliana Lara, PE  
Passaic Valley Water Commission  
1525 Main Avenue  
Clifton, NJ 07011

Re: Bid for Contract #18-B-23 Replacement and Disposal of Filter Media at the LFWTP

Dear Eliana;

Thank you for meeting with me about the bid award for the above project.

As a result of this review, I am writing you in formal protest to request that the bid submitted by Carbon Activated Corporation be deemed invalid and non-responsive. Carbon Activated Corporation has submitted a bid for a Chinese manufactured product that is not an 'equal' to the named products from Calgon Carbon Corporation and Norit Americas Inc, as specified in Technical Specification section 13220, section 2.04, paragraph G. The Calgon Carbon and Norit products are domestically mined and manufactured.

The pore structure, ultimate quality and performance of the GAC product is dependent on the starting material and the manufacturing process, including quality controls and manufacturing conditions. The coal source, binder pitch used for reagglomeration and furnace condition as well as the technical expertise of the manufacturing plant staff will all affect the finished product's internal characteristics. These materials and manufacturing conditions deviate significantly between domestic and imported products and are evident in the costs. Simply manufacturing to meet the listed performance specification parameters does not constitute an equal product. There is no way to determine that the imported product will perform equally to the domestically manufactured products without real time on-site pilot testing at the water treatment plant. Since this was not done the Chinese product has not been shown to be equal in performance and is not qualified as an equal product.

We therefore respectfully ask that the Carbon Activated bid be rejected and an award be made to the Calgon Carbon Corporation as the lowest price qualified bidder as named in the bid specifications.

Please contact me at 732-424-2089 with any questions. Thank you in advance for your attention to this matter.

Sincerely,  
Calgon Carbon Corporation

Michael J Donaway  
Regional Sales Manager - Municipal

Cc: N. Stockhausen/CCC  
L. Zappa/CCC

**Duprey, Jim**

---

**From:** Vozzella, Christine  
**Sent:** Friday, September 14, 2018 3:40 PM  
**To:** Klein, Steven; Anne Nash  
**Cc:** Duprey, Jim; Amodio, Louis; Lucianin, Gregg  
**Subject:** RE: Notice of Hearing to Consider Rejection and/or Awarding of Contract 18-B-23  
"Replacement and Disposal of Filter Media at the LFWTP Totowa, NJ" - 10/2/18 @ 10:00 AM

Good Afternoon,

The hearing is scheduled for Tuesday, October 2, 2018 at 10:00 AM at PVWC.

Please confirm attendance.

Thank you,

*Christine Vozzella*

Paralegal, Legal Department  
Passaic Valley Water Commission  
1525 Main Avenue  
Clifton, NJ 07011  
973.340.4312  
[cvozzella@pvwc.com](mailto:cvozzella@pvwc.com)



This e-mail message is from Passaic Valley Water Commission General Counsel's Office and is for the sole use of the intended recipient and may contain confidential and/or privileged information. Any unauthorized use, review, distribution or disclosure is prohibited without the prior written consent of the person/entity that drafted this communication. If you are not the intended recipient, please contact the sender by reply e-mail or express mail and destroy all copies of the original message.

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**PRIVILEGED AND CONFIDENTIAL THIS DOCUMENT IS SUBJECT TO THE ATTORNEY-CLIENT PRIVILEGE AND WORK-PRODUCT DOCTRINE NOT SUBJECT TO DISCLOSURE UNDER THE OPEN PUBLIC RECORDS ACT (OPRA)**

(except to extent explicitly mandated by OPRA.)



**PASSAIC VALLEY WATER COMMISSION**

**CONTRACT NO. 18-B-23  
REPLACEMENT AND DISPOSAL OF FILTER MEDIA  
AT THE LFWTP TOTOWA, NEW JERSEY**

**BLACK AND VEATCH'S CORRESPONDENCE  
DATED DECEMBER 5, 2018**

**EXHIBIT B**



December 5, 2018

Passaic Valley Water Commission  
1525 Main Avenue  
Clifton, NJ 07011PVWC Process Optimization - 2018  
B&V Project 400317.0100  
B&V File Number

Letter No. 1

Attention: George Hanley, General Counsel

Subject: Contract No. 18-B-23 "Replacement and Disposal of Filter Media at the LFWTP  
Totowa, New Jersey"-Bid Protest Follow-up

Dear George,

This letter provides a summary of my input to the selection of a successful bidder on the above referenced project. At the request of the Passaic Valley Water Commission, I have reviewed the bid documents and addenda, the bidders' submissions, the transcripts from the bid protest hearing held on October 2nd, 2018, documents provided by Carbon Activated Corporation (CAC) and Calgon Carbon Corporation (CCC) subsequent to the hearing, as well as attending and participating in the October 2nd, 2018 bid protest hearing. From that involvement, I have submitted a review memorandum that provides details of that review. The most salient points are summarized in the following sections.

**PVWC Use of GAC as a Filter Media.**

The Bid Document is entitled "Replacement and Disposal of Filter Media at the LFWTP". Key to that title is the use of granular activated carbon (GAC) as a filter media. One of the reasons for replacement of the existing filter media (which has been in service for over a decade) is to maintain its use to produce a low-turbidity treated water. The longevity of the GAC in this service is of heightened importance with the potential to meet even stricter filtered water turbidity levels needed to achieve additional removal credits for *Cryptosporidium* as required by PVWC's reclassification into Bin 2 under the Long Term 2 Enhanced Surface Water Treatment Rule (LT2ESWTR).

A GAC particle used in filter service is exposed to attrition through backwashing with both water and air. This process can result in changes to the shape of the granule, in some cases making it less effective as a filter media due to particle attrition. That effect can sometimes be seen in pilot studies (over several months) or may take longer to capture. In some cases, replacement of a full-scale filter is used to provide a direct test to show equivalency or potential improvements.

**GAC Experience.**

As was discussed in the hearing, neither Black & Veatch Corporation (B&V) nor CAC are aware of CAC-provided GAC in B&V projects in the United States. This is likely due to a requirement typically included in B&V-produced specifications, subject to agreement by Owners, that requires only United States manufactured GAC. B&V did not furnish the specification used in this particular procurement. CCC has provided GAC on many of B&V's projects in both filtration and post-filter adsorption applications.

**BUILDING A WORLD OF DIFFERENCE**

One aspect of utilizing a new technology or product is to ensure that the product has been tested over a sufficient period of time to demonstrate its durability. The length of time can vary with the level of risk tolerance acceptable to the Owner – a typical experience requirement is five years. The Bid Document reflects this in the following language:

*"Bidder shall have not less than five (5) years of experience installing similar Product at municipal water or similar facilities. Bidders having experience qualifications that are not in conformance with the above may still be considered by the Owner, provided that the Bidder can demonstrate to the complete satisfaction of the Owner, in the sole opinion of the Owner, that the Bidder is qualified and capable of properly completing the Work."*

CAC provided information on its references as part of the bid protest hearing. A summary is below.

- a. Neither B&V or CAC knew of any B&V-produced specifications that CAC has bid on in the United States.
- b. At Tampa Bay Water (TBW), CAC noted that the GAC it is supplying there is not from the same GAC source as would be used for PVWC. It was included as a reference to show capabilities in handling large shipments from China.
  - i. B&V has contacted TBW through its local office. The installation went well. However, the installation was just this year (2018).
- c. Niagara Falls WWTP. This reference did not have a complete phone number, so B&V was not able to contact the Owner. According to CAC, the source of production for the GAC at Niagara Falls would not be from the same facility that would be the source of the GAC it would provide to PVWC and was installed in 2017. It was included to show capabilities in handling large shipments from China.
- d. Lake Galliard. This GAC was provided from the same facility that would be used to source the GAC for PVWC. However, CAC noted that it was supplied only "last year."
  - i. Supplemental information on Lake Galliard. Both CAC and CCC provided subsequent information about GAC use at Lake Galliard. CAC provided a copy of an e-mail from Chris Hill at Lake Galliard stating that CAC had provided bituminous, reagglomerated GAC from China and that it had replaced both Calgon and Norit GAC in its filters. CCC noted that CAC had provided Norit GAC to that site. Thus, it was not clear that the Chinese GAC had been in use for at least five years at this plant, as the Norit and Calgon GAC would have been sourced from the US.
- e. Elgin, Illinois. In the bid protest hearing, there was discussion of what GAC was installed in the City of Elgin (Illinois) filters. CCC provided an affidavit showing that they had recently shipped 13,000 pounds of Carbsorb 30 to the Elgin site. As a subsequent reference, CAC provided contact information for the City of Orillia which, when contacted, turned out to be contacts not at Orillia, but rather at the Riverside Water Treatment Plant (WTP) in Elgin, Illinois. A conversation with the respondent who answered (who was not among the contacts listed by CAC for Elgin) indicated that Elgin was changing out GAC in their filters. The Elgin employee did not know who supplied the GAC that was being used. Consequently, B&V were unable to ascertain that the five-year requirement has been met.
- f. Region of Durham (Ontario). In the bid protest hearing, CAC was noted to be providing GAC to the Region of Durham. No reference contact information was

provided. Portions of the bid specification from the Region of Durham were provided in a letter from CAC (provided on the day of the bid protest hearing). It is noted that the ash content allowed in the bid documents for both Lake Galliard and the Region of Durham was higher than the PVWC bid document (Maximum of 10 percent versus PVWC allowable maximum of 8 percent). The bid document for Region of Durham was dated in 2017. Thus, this does not meet the at least five-year requirement and further does not show the same requirements as to the content of the Product provided.

- g. Suffolk County, NY. The additional reference listing from CAC notes that this is a coconut-based carbon which would be excluded as non-compliant with the PVWC bid specification. In the bid hearing and in a subsequent submittal, CCC used Suffolk County pilot results to demonstrate that the GAC provided by other sources was not equivalent to the Filtrasorb material provided by Calgon.
- h. Other references from CAC. The Andover, San Bernardino, and Wilmington references were contacted by B&V – messages were left with all three. As of the date of this memorandum, no return information has been provided.
- i. Service Life. During the hearing, in response to a question about references, CAC discussed the life expectancy of GAC they have supplied. In that discussion, CAC noted that its GAC would last “three, five, in some places, ten years.”

For the reasons listed above, based on the information reviewed and the steps we made to contact references as described above, it would appear that CAC has failed to establish the requisite five-years of experience with the CAC GAC to be provided to PVWC (bituminous source material of the same size and application). Therefore, from a technical perspective, we cannot establish that Carbon Activated Corporation's bid has met the experience requirements which PVWC set forth in its Bid Document, nor has it demonstrated this by other means.

Very truly yours,

Black & Veatch Corporation

Robert Hulsey  
Global Practice and Technology Leader, Water

rah  
Enclosure(s)

cc: Joe Bella, Director, PVWC  
Jim Duprey, Chief Engineer, PVWC  
Eliana Lara, Engineer, PVWC  
Steve Hydro, Black & Veatch

**PASSAIC VALLEY WATER COMMISSION**

**CONTRACT NO. 18-B-23  
REPLACEMENT AND DISPOSAL OF FILTER MEDIA  
AT THE LFWTP TOTOWA, NEW JERSEY**

**DIRECTOR OF ENGINEERING'S AND EXECUTIVE  
DIRECTOR'S MEMORANDUM DATED DECEMBER 6, 2018**

**DIRECTOR OF PURCHASING'S MEMORANDUM  
DATED DECEMBER 6, 2018**

**EXHIBIT C**

**PASSAIC VALLEY WATER COMMISSION  
INTEROFFICE MEMORANDUM**

Date: December 6, 2018

To: Honorable Commissioners

From: J. Duprey

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

Re: Contract 18-B-23 "Replacement and Disposal of  
Filter Media at the LFWTP Totowa, New Jersey"

On July 24, 2018, two (2) bids were received by Passaic Valley Water Commission ("PVWC") for Contract No. 18-B-23, "Replacement and Disposal of Filter Media at the LFWTP Totowa, New Jersey" ("Contract"), and a tabulation of bids received is included in Exhibit A referenced below.

Prior to consideration for award, the second apparent low numerical bidder, Calgon Carbon Corporation ("Calgon Carbon"), in correspondence dated August 9, 2018 asserted that, among other things, the bid submitted by the apparent low numerical bidder, Carbon Activated Corporation ("Carbon Activated") be deemed invalid and non-responsive, and further asserted that the Contract should be awarded to Calgon Carbon on that basis.

PVWC's General Counsel thereupon determined that a bid protest hearing should be convened, pursuant to the Public Bidding Law.

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In accordance with the bid specifications and the notice of bidding provided with the bid documents, PVWC had considered both, rejecting all bids and re-bid of the Contract, as allowed PVWC under the Public Bidding Law, and, in the alternative, rejecting Carbon Activated's bid as being materially defective, unresponsive, not responsible, or unacceptable for other reasons required by law, and award the contract to the lowest "responsible" bidder.

The Hearing was attended by: appropriate PVWC personnel; representatives for the two (2) bidders, namely Carbon Activated and Calgon Carbon (the first and second apparent low numerical bidders, respectively), and a representative from Black and Veatch ("B&V"), the consultant retained by PVWC to assist PVWC with specific filter media issues associated with this project.

B&V's correspondence dated December 5, 2018 includes their subsequent evaluation and recommendations concerning award of the Contract and a copy of the referenced correspondence is included as Exhibit B.

Based on testimony and argument presented at the Hearing, and review of information and documentation, including exhibits and written argument, submitted at and subsequent to the Hearing, PVWC's General Counsel, in his capacity as Hearing Officer has determined the lowest responsible, responsive bid submitted to be that of Calgon Carbon Corporation (the "Awardee") with respect to said bid, in the amount of \$3,352,325.00.

PVWC's Executive Director, Director of Engineering, and Director of Purchasing, have reviewed and considered B&V's recommendations as well as PVWC General Counsel's determination and recommendation in this regard, and have concurred therewith.

PASSAIC VALLEY WATER COMMISSION

INTER-OFFICE MEMO

DATE: November 21, 2018

FROM: Purchasing Department

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

RE: **Contract # 18-B-23 "Replacement and Disposal of Filter Media at  
LFWTP "**

On July 24<sup>th</sup>, two (2) bids were received by PVWC for the above referenced Contract.

The Purchasing Department has reviewed the above stated Contract for required documents, affirmative action requirements, and the Contract proposal tabulations.

The lowest responsive, responsible bid submitted for the contract was that of Calgon Carbon Corp, of Moon Township, PA in the amount of \$3,352,325.00. The Finance Department has certified the availability of funds (see attached)

Respectfully submitted,

Gregg B. Lucianin  
Buyer

cc: J. Duprey  
L. Amodio

**PASSAIC VALLEY WATER COMMISSION**

**CONTRACT NO. 18-B-23  
REPLACEMENT AND DISPOSAL OF FILTER MEDIA  
AT THE LFWTP TOTOWA, NEW JERSEY**

**PVWC'S FINANCIAL CERTIFICATION SHEET**

**EXHIBIT D**



**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: **18-B-23 Calgon Carbon Corporation**


Amount of Project or Contract: \$3,352,325.00

1. Acct: # 001-0901-419-95-48 Filter Media

Specific Appropriation to which expenditures will be charged: Budget 2019/2020

Other comments: One (1) Year - Contract Commencing: December 2018  
Replacement and Disposal of Filter Media at LFWTP

Date of Certification: 11/21/2018 Certified: \$3,352,325.00

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

YW:gbl

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**RESOLUTION: 18-106**  
**RESOLUTION OF PASSAIC VALLEY WATER COMMISSION**

**SHARED SERVICES AGREEMENT WITH THE CITY OF PATERSON FOR  
THE PROVISION OF EMERGENCY RESCUE AND PREVENTIVE  
SERVICES AND CONSULTATION RELATED TO CONFINED SPACES  
DATE OF ADOPTION: DECEMBER 19, 2018**

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: **SANCHEZ**

Seconded by Commissioner: **VANNOY**

**WHEREAS,** The Passaic Valley Water Commission ("PVWC") entered into a shared services agreement with the City of Paterson ("Paterson"), individually as the "Party" and collectively as the "Parties", through Paterson's Fire Department for the provision of emergency rescue and preventive services and consultation relative to confined spaces, with said agreement dated July 26, 2016 and, by mutual consent of the Parties, continued beyond the agreement's scheduled end date of July 31, 2018 until a new agreement could be negotiated and entered into by the Parties; and

**WHEREAS,** PVWC desires to enter into a new shared services agreement with Paterson to reduce the one-year extended period (previously approved by resolution of the Paterson Governing Body (Paterson Resolution 18-218 dated April 24, 2018) by six (6) months from July 31, 2019 to the earlier December 31, 2018, and to extend the Agreement for five (5) additional one-year periods commencing January 1, 2019 and ending December 31, 2023; all with terms and conditions (including compensation amounts) as set forth in the Form of Agreement (the "Agreement"), a copy of which is attached hereto and made a part hereof as an attachment to the PVWC memorandum included in Exhibit A; and

**WHEREAS,** the Agreement shall provide for the provision of services by specially assigned Paterson Fire Department Personnel ("PFDP") and to provide regular and consultative services with respect to PVWC's operations at its' various facilities in order to enhance the safety and protection of PVWC's

employees, agents, officers, vendors, members of the general public and others; all in accordance with the requirements of 29 CFR 1910.146 et seq., as, and if, amended, in accordance with the Agreement and Paterson shall have the PFDP provide supervision of the appropriate and necessary Personnel and all equipment and materials necessary to perform the duties stated herein and in accordance with applicable OSHA law and regulations, guidelines and standards (the "Services"); and

**WHEREAS,** the Services shall enhance PVWC's confined space program, and this enhancement shall be separate and apart and in addition to that which is provided by Paterson to other residents, taxpayers and citizens, and separate and apart and in addition to that which is provided by the County or State in which PVWC's facilities are located; and

**WHEREAS,** the Executive Director and the Director of Engineering, and the General Counsel (as to form and legality), have reviewed the Agreement, and a copy of the PVWC memorandum dated December 6, 2018, along with the attached Agreement, is attached hereto and made a part hereof as Exhibit A; and

**WHEREAS,** Paterson shall provide planned onsite rescue services ("Planned Standby Complex Confined Space Events") for up to four (4) separate Planned Standby Complex Confined Space Events, each of which, if any, shall be requested by PVWC's designated representative in writing ahead of time, and each authorized Planned Standby Complex Confined Space Event shall require PDFP to be onsite for up to ten (10) continuous hours for the said rescue services for a total of up to forty (40) hours for all four (4) authorized Planned Standby Complex Confined Space Events; and

**WHEREAS,** in addition to the four (4) separate Planned Standby Complex Confined Space Events per year included within Paterson's scope of Services, PVWC may request additional Planned Standby Complex Confined Space Events if requested by PVWC's designated representative in writing ahead of time, as set forth in the Agreement; and

**WHEREAS,** a slight downward adjustment of the fee to be paid to Paterson was acceptable to both parties since the scope of services provided by the Paterson Fire Department has changed as much of the expense in the original agreement was as a result of start-up costs and implementing new procedures, and compensation in the total amount of \$728,565.62 over the five (5) year life of the Agreement for goods and services provided by the Paterson Fire Department in accordance with the Agreement shall be as set forth in the Table in Article 4 on Page A-3 of the Agreement; and

**WHEREAS,** a copy of Paterson's resolution dated November 20, 2018 authorizing and approving the Agreement is attached hereto and made a part hereof as Exhibit B; and

**WHEREAS,** either Party would be able to terminate the Agreement upon one hundred and twenty (120) days prior written notice to the other Party, in which case Paterson would reimburse PVWC for any and all pro-rated unused time computed as set forth in the Agreement; 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 the Passaic Valley Water Commission, in the County of Passaic, New Jersey:


1. That the Commission hereby authorizes and approves the Shared Services Agreement between PVWC and Paterson for the provision of emergency rescue and preventive services and consultation relative to confined spaces.
2. That appropriate officers of PVWC are hereby authorized and directed to perform such acts and execute such documents as are necessary to implement the terms and intentions of this Resolution and the submissions provided in connection therewith, as all 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>FRIEND, G.</b>	—	—	—	<u>X</u>
<b>VANNOY, R.</b>	<u>X</u>	—	—	—
<b>LEVINE, J.</b>	<u>X</u>	—	—	—
<b>KOLODZIEJ, J.</b>	<u>X</u>	—	—	—
<b>VAN RENSALIER, R.</b>	<u>X</u>	—	—	—
<b>SANCHEZ, R.</b>	<u>X</u>	—	—	—
<b>RODRIGUEZ, I.</b>	<u>X</u>	—	—	—

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

  
\_\_\_\_\_  
**President**  
**IDIDA RODRIGUEZ**

  
\_\_\_\_\_  
**Secretary**  
**JOSEPH KOLONDZIEJ**

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

**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 thereof of the foregoing Resolution duly passed and adopted by a majority of a legal quorum of the full membership of the Passaic Valley Water Commission at its duly noticed and convened meeting of the said Commission on December 19, 2018.

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

**PASSAIC VALLEY WATER COMMISSION**

**SHARED SERVICES AGREEMENT WITH THE CITY OF PATERSON FOR THE  
PROVISION OF EMERGENCY RESCUE AND PREVENTIVE SERVICES AND  
CONSULTATION RELATED TO CONFINED SPACES**

**PVWC MEMORANDUM DATED DECEMBER 6, 2018**

**EXHIBIT A**

**PASSAIC VALLEY WATER COMMISSION  
INTEROFFICE MEMORANDUM**

Date: December 6, 2018

To: Hon. Commissioners

From: J. Duprey

C: J. Bella  
G. Hanley  
L. Amodio

Re: Shared Services Agreement with the City of Paterson ("Paterson") for the Provision of  
Emergency Rescue and Preventive Services and Consultation Related to Confined Spaces

The Passaic Valley Water Commission ("PVWC") entered into a shared services agreement with the City of Paterson ("Paterson") through Paterson's Fire Department for the provision of emergency rescue and preventive services and consultation relative to confined spaces, with said agreement dated July 26, 2016 and continued beyond the agreement's scheduled end date of July 31, 2018 (by mutual consent of the Parties) until such time as a new agreement could be negotiated and entered into by the Parties.

The new shared services agreement with Paterson would reduce the one-year extended period (previously approved by resolution of the Paterson Governing Body (Paterson Resolution 18-218 dated April 24, 2018) by six (6) months from July 31, 2019 to the earlier December 31, 2018, and to extend the Agreement for five (5) additional one-year periods commencing January 1, 2019 and ending December 31, 2023; all with terms and conditions as set forth in the attached Form of Agreement (the "Agreement").

The Agreement provides for services by specially assigned Paterson Fire Department Personnel ("PFDP") and to provide regular and consultative services with respect to PVWC's operations at its' various facilities in order to enhance the safety and protection of PVWC's employees, agents, officers, vendors, members of the general public and others; all in accordance with the requirements of 29 CFR 1910.146 et seq., as, and if, amended, in accordance with the Agreement, and Paterson shall have the PFDP provide supervision of the appropriate and necessary Personnel and all equipment and materials necessary to perform the duties stated herein and in accordance with applicable OSHA law and regulations, guidelines and standards (the "Services").

The Services shall enhance PVWC's confined space program, and this enhancement shall be separate and apart and in addition to that which is provided by Paterson to other residents, taxpayers and citizens, and separate and apart and in addition to that which is provided by the County or State in which PVWC's facilities are located.

PVWC agrees to pay Paterson in the amounts set forth below as payment in full for all goods and services supplied in connection with this Agreement, with these payments payable in quarterly installments, as follows:

Period	Monthly Amount	Annual Amount
Through December 31, 2018	\$12,500.00	Prorated
January 1, 2019 through December 31, 2019	\$11,666.67	\$140,000.00
January 1, 2020 through December 31, 2020	\$11,900.00	\$142,800.00
January 1, 2021 through December 31, 2021	\$12,138.00	\$145,656.00
January 1, 2022 through December 31, 2022	\$12,380.76	\$148,569.12
January 1, 2023 through December 31, 2023	\$12,628.38	\$151,540.50

Paterson shall provide planned onsite rescue services ("Planned Standby Complex Confined Space Events") for up to four (4) separate Planned Standby Complex Confined Space Events, each of which, if any, shall be requested by PVWC's designated representative in writing ahead of time, and each authorized Planned Standby Complex Confined Space Event shall require PFDP to be onsite for up to ten (10) continuous hours for the said rescue services for a total of up to forty (40) hours for all four (4) authorized Planned Standby Complex Confined Space Events.

In addition to the four (4) separate Planned Standby Complex Confined Space Events per year included within Paterson's scope of Services, PVWC may request additional Planned Standby Complex Confined Space Events if requested by PVWC's designated representative in writing ahead of time, with the provisions and costs for same as set forth in the Agreement.

Either Party would be able to terminate the Agreement upon one hundred and twenty (120) days prior written notice to the other Party, in which case Paterson would reimburse PVWC for any and all pro-rated unused time.

In the event of termination, the pro-rated amount due to PVWC would be computed by taking the quarterly amount paid to Paterson by PVWC (for the quarter in which the termination occurred) and deducting the sum of the daily amounts (with each daily amount computed by taking the appropriate monthly amount in the Table in Article 4 herein and dividing same by the number of calendar days in that month) for each and every month or portion thereof remaining in the quarter in which the termination occurred from the termination date to the end of said quarter.

Subject to review and approval as to form and legality by the Law Department, it is recommended that the shared services agreement with Paterson for the provision of emergency rescue and preventive services and consultation related to confined spaces be submitted to the Commission for review and approval.

**PASSAIC VALLEY WATER COMMISSION**

**SHARED SERVICES AGREEMENT WITH THE CITY OF PATERSON FOR THE  
PROVISION OF EMERGENCY RESCUE AND PREVENTIVE SERVICES AND  
CONSULTATION RELATED TO CONFINED SPACES**

**FORM OF SHARED SERVICES AGREEMENT**

**ATTACHMENT TO EXHIBIT A**



SHARED SERVICES AGREEMENT  
BETWEEN  
PASSAIC VALLEY WATER COMMISSION  
AND  
THE CITY OF PATERSON  
THROUGH IT'S FIRE DEPARTMENT  
FOR THE PROVISION OF EMERGENCY RESCUE AND PREVENTIVE SERVICES  
AND CONSULTATION RELATIVE TO CONFINED SPACES

This Agreement (hereinafter the "Agreement"), made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, 201\_\_, by and between Passaic Valley Water Commission (hereinafter "PVWC"), having offices at 1525 Main Avenue, Clifton, New Jersey 07011 and the City of Paterson, (hereinafter "Paterson"), having offices at 155 Market St, Paterson, NJ 07505, is for the provision of emergency rescue-related health and safety services associated with PVWC's Confined Space Program. The Parties mutually agree to reduce the one-year extended period (previously approved by resolution of the Paterson Governing Body (Paterson Resolution 18-218 dated April 24, 2018) by six (6) months from July 31, 2019 to the earlier December 31, 2018 and to extend the Agreement for five (5) additional one-year periods commencing January 1, 2019 and ending December 31, 2023 In accordance with the Compensation Schedule set forth in Article 4 herein; unless terminated earlier in accordance with Article 11 herein.

**WHEREAS**, PVWC desires to contract with Paterson for the provision of Services (as defined below) by specially assigned Paterson Fire Department Personnel ("PFDP") sworn and trained in accordance with the highest standards of the Fire Department's Confined Space Program; and to provide goods and services for standby services for confined space emergency rescues, and for confined space planned entries; all as set forth in more detail herein; and

**WHEREAS**, these Services shall enhance PVWC's confined space program, and are separate and apart and in addition to that which is provided by Paterson to other residents, taxpayers and citizens, and separate and apart and in addition to that which is provided by the County or State in which PVWC's facilities are located; and

**WHEREAS**, the program objective is for Paterson to provide for comprehensive, quality Services as defined herein to all PVWC employees, properties, and facilities through appropriate means; and

**WHEREAS**, Paterson desires to provide Services to PVWC as set forth herein, and PVWC wishes to contract with Paterson for said Services;

**NOW THEREFORE**, PVWC and Paterson agree, as follows:

1. Staffing:

Paterson shall have the PFDP provide staffing, equipment and other goods and services necessary to provide adequate protections against the risks of maintaining and operating confined space facilities in accordance with the United States Department of Labor, Office of Occupational Safety and Health Administration ("OSHA") requirements set forth in 29 CFR 1910.146 et seq., as and, if, amended, and in accordance with this Agreement. Paterson shall have the PFDP provide supervision of the appropriate and necessary Personnel and all equipment and materials necessary to perform the duties stated herein and in accordance with applicable OSHA law and regulations, guidelines and standards (herein the Services").

Each party to this Agreement shall provide the other party in writing or by email, with the name and contact information of a single point of contact ("SPOC") for purposes of exchanging information. The SPOC for Paterson shall be Brian J. McDermott, Chief of Fire Department City of Paterson, New Jersey (973-321-1400 [bmcdermott@patersonnj.gov](mailto:bmcdermott@patersonnj.gov)).

The SPOC for the Commission shall be Michael Marotta (973-237-2028 [mmarotta@pvwc.com](mailto:mmarotta@pvwc.com)) (PVWC's Designated Representative) or George Lewis (973-237-2050 [glewis@pvwc.com](mailto:glewis@pvwc.com)), PVWC's Designated Alternate). Each party shall notify the other party of any change in the information for the SPOC within three (3) working days of such change.

An Advisory Board shall be established that will consist of four (4) members; two (2) from PFDP and two (2) from PVWC. The advisory board will meet a minimum of twice per year to gather and share information, to review/update the onsite surveys and evaluations of confined spaces owned by PVWC, to review/update current policies, and to plan for the Annual Entry Exercises.

2. Term:

Unless terminated earlier in accordance with Article 11 herein, the Term of the Agreement shall be retroactive to July 31, 2018 and continue through December 31, 2023 with compensation as set forth in Article 4 herein. The Term of the Agreement may not be renewed and/or extended beyond December 31, 2023 without the prior written consent of the Parties as evidenced by their respective governing bodies duly adopted resolutions. One hundred twenty (120) days prior to expiration of this Agreement, the Parties hereto agree to give written notice as to their intention to extend and/or terminate or revise this Agreement subject to the mutual agreement of said Parties.

3. Scope of PFDP's Services:

All services to be provided by Paterson through the PFDP hereunder, including but not limited to all Planned Standby Complex Confined Space Events (as defined elsewhere herein) and all confined space rescues, shall be performed under PFDP's permit and shall comply with all applicable laws and regulations. Paterson shall have the PFDP provide to PVWC, without implied limitation, the Services as outlined below for the Term of the Agreement:

- a. As one of the first items to be completed under this Agreement, PFDP shall update the previously conducted comprehensive on-site survey and evaluation of confined spaces owned and/or controlled by PVWC, and other confined spaces as required by PVWC (herein, the "Onsite Survey and Evaluation"). Thereafter, the PFDP shall revise the Onsite Survey and Evaluation from time to time as needed to keep it up to date and/or as required by PVWC and applicable Law and Regulations.
- b. PFDP shall serve as PVWC's "Rescue Authority" as defined in the Law. PFDP shall make its Personnel available for deployment for twenty-four (24) hours per day, seven (7) days a week throughout the Term of the Agreement.
- c. PFDP shall provide "On call" emergency rescue response, which shall mean that PVWC will notify the PFDP prior to every confined space entry. During that time, PFDP shall have their emergency rescue response team available for rescue operations in the case of emergency rescue. In the case of emergency rescue, it is expressly understood that 9-1-1 shall be the first call that is made, immediately followed by the call to PFDP.
- d. PFDP shall possess, and shall be required to maintain, all necessary equipment for the performance of confined space rescue operations.
- e. The PFDP must respond to emergency rescue calls in a timely manner as required by the Law, including OSHA regulations. In addition, the PFDP shall investigate and calculate the maximum rescue response time(s) for each confined-space location and confirm that the said maximum rescue response time(s) conform to the OSHA regulations. The PFDP shall develop and implement a plan to enhance the ability of the PFDP to respond in a timely manner to any rescue call, including calls to known confined space location as well as "unplanned" confined spaces. "Unplanned" confined spaces are those which are not among the known confined spaces set forth in the Onsite Survey and Evaluation, such as emergency trench excavations to repair water main breaks. The PFDP's internal plan shall set forth: (i) the various locations where properly trained PFDP are expected to be housed in quarters, assembled as a group, and capable of responding to a rescue call in a timely manner; (ii) identification of ways that the PFDP can improve the ability of the PFDP to respond in a timely manner; (iii) identification of potential impediments to the ability of the PFDP to respond in a timely manner; and (iv) PFDP's recommendations, strategies, and back-up strategies for helping to ensure that the PFDP can respond in a timely manner to any rescue call.
- f. PFDP shall guarantee that no less than eighty (80) of its fire fighters shall remain trained and operations-grade certified for "confined space" rescues. PFDP shall maintain up-to-date training records of all members assigned to the team.
- g. For purposes of this Agreement, the term "complex" (as used hereinafter is referring to a PVWC-owned and controlled onsite permit-required "complex" confined space) shall be deemed to mean a PVWC-owned and controlled onsite permit-required confined space that, due to the extraordinary and substantial complexities that would be involved in a permit-required confined space rescue operation (due to the nature of the confined space and/or potential hazards related thereto) distinguishes same from a "normal" PVWC owned and controlled onsite permit-required confined space. It is anticipated that only a few PVWC-owned and controlled confined spaces at PVWC's water treatment plant would be categorized as PVWC-owned and controlled onsite permit-required complex confined spaces (herein referred to as "Planned Standby Complex Confined Space").

- h. PFDP shall, in cooperation with PVWC, perform at least one 8-hour exercise annually (herein, the "Annual Entry Exercise") at a Planned Standby Complex Confined Space, which, and only for the purpose of selecting the particular Planned Standby Complex Confined Space for the Annual Entry Exercise, shall be determined by the Advisory Board, which Annual Entry Exercises will not be counted as any of the Planned Standby Complex Confined Space Events specified elsewhere herein.
- i. PFDP shall provide (and shall include in the Compensation Amounts stipulated in Article 4 herein) planned onsite standby rescue services ("Planned Standby Complex Confined Space Events") for up to four (4) separate Planned Standby Complex Confined Space Events, each of which, if any, shall be as requested by PVWC's Designated Representative in writing ahead of time. Each authorized Planned Standby Complex Confined Space Event shall require PFDP to be onsite for up to ten (10) continuous hours for the said rescue services, for a total of up to forty (40) hours for all four (4) authorized Planned Standby Confined Space Events.
- j. The Scope of PDFP's Services hereunder include whatever staffing and work that the PDFD is required to supply relating to: (i) the Advisory Board referenced in paragraph 1 above entitled "Staffing" and (ii) reciprocal training referenced in paragraph 9 below entitled "Reciprocal Training".
- k. PDFP shall train specified PVWC employees in any prerequisite courses that are necessary or recommended in order for the PDFP to perform its services effectively for the PVWC, including but not limited to, in Hazardous Materials Awareness, Hazardous Materials Operations, Basic Rope Rescue, Confined Space Awareness, and Confined Space Operations.

4. Compensation:

PVWC shall compensate Paterson for Services properly provided in accordance with the terms and conditions of this Agreement in the Table below, as follows:

Period	Monthly Amount	Annual Amount
Through December 31, 2018	\$12,500.00	Prorated
January 1, 2019 through December 31, 2019	\$11,666.67	\$140,000.00
January 1, 2020 through December 31, 2020	\$11,900.00	\$142,800.00
January 1, 2021 through December 31, 2021	\$12,138.00	\$145,656.00
January 1, 2022 through December 31, 2022	\$12,380.76	\$148,569.12
January 1, 2023 through December 31, 2023	\$12,628.38	\$151,540.50

The above amounts shall be considered as payment in full for all goods and services supplied in connection with this Agreement, including the Scope of PDFD's Services set forth above in paragraph 3, including mobilization, demobilization, maintenance, supervision, and continuing training and education relating to same. These payments shall be payable in quarterly installments, upon receipt of an invoice from Paterson. Payment shall be made within thirty (30) days of receipt of the invoice. The invoices for the quarterly installments shall be issued to PVWC at the end of the quarter for which the invoice relates.

5. Optional Additional Services and Compensation for Same:

During the Term of this Agreement, the PVWC may request the following optional additional services from the PFDP. When requested by the PVWC, the PFDP shall supply all goods and services in connection therewith and the PVWC shall compensate Paterson, as follows:

In addition to the four (4) separate Planned Standby Complex Confined Space Events per year included within the PDFP's Scope of Services, the PVWC may request additional Planned Standby Complex Confined Space Events, if requested in writing in advance by PVWC's Designated Representative. The PFDP shall staff the Event with one trained Captain and three trained Firefighters. The Event may last as short a time or as long as needed to complete the purposes of the Event, however, under no circumstances may the Event last more than eight (8) consecutive hours without a change of personnel from the PFDP.

The PVWC shall compensate Paterson for the optional additional services ordered by the PVWC, as follows: The PVWC shall pay for the staffing of the Event at prevailing rates for straight or regular time set forth in the then-effective Collective Bargaining Agreement between Paterson and the PFDP. If the Event takes four hours or less, the PVWC shall pay for four hours of Staffing. For Events lasting over four hours, the PVWC shall pay for the actual time spent by the PFDP at the Event. The compensation set forth herein for optional additional services is the only compensation due to

Paterson for same. No additional compensation shall be due from the PVWC for mobilization, demobilization, equipment costs, or any other costs associated with the optional additional services.

6. Independent Contractor:

Notwithstanding anything in the Agreement to the contrary, nothing in this Agreement shall be construed as PFDP (other than PVWC's personnel) being employees of PVWC. Paterson, through the PFDP, shall at all times provide supervision, control and direction of work activities and assignments of their own Personnel, including disciplinary action. It is expressly understood that Paterson shall be responsible for the compensation of the officers and all employee benefits, including worker's compensation insurance, as well as any injury to their officers, their property or Paterson's property.

7. Indemnification:

The City of Paterson and the PVWC shall indemnify each other, defend and save and hold harmless each other from and against any damage, liability, loss, costs or claims arising out of, resulting from or related to any intentional or negligent acts of their agents or employees in performance of the Work under this Agreement.

These Indemnifications are intended to provide the broadest indemnification permitted by law and shall be construed consistent with all applicable laws of the State of New Jersey, including but not limited to the laws pertaining to indemnification, which shall survive the termination of the Agreement.

8. Insurance Requirements:

Both Parties acknowledge that they have an insurable interest relative to the scope of services rendered and/or received by each, and other related and material risks.

Nothing contained in this Article shall be construed as limiting the extent of the liability for claims for damages resulting from or related to the services performed under this Agreement.

All insurance required hereunder shall include the interests of each Party. Each Party waives all rights against the other and any parties named as additional insured's in such policies for all losses and damages caused by any of the perils covered by such policies and all such policies shall contain provisions to the effect that in the event of payment of any loss for damage, the insurer will have no rights of recovery against any of the parties named as additional insured's.

It is recognized that both Parties are self-insured for the first dollar up to certain levels. Notwithstanding same, each Party shall provide and maintain, at its sole expense, insurance that will provide protection from claims and liabilities, which may arise out of or result from their performance and furnishing Services and other obligations under this Agreement, whether it is to be performed or furnished by said Party, by any of the Party's employees, by anyone directly or indirectly employed by any of them to perform or furnish Services, or by anyone for whose acts any of them may be liable to the other, and shall maintain reserve funds sufficient to meet applicable statutory requirements or other applicable standards, if any, as follows:

- a. Worker's Compensation and Employer's Liability Insurance: Covering all of the employees directly or indirectly engaged in the performance of this Agreement. This insurance shall comply with the statutory requirements of the State of New Jersey and shall include Employer's Liability Insurance.
- b. Commercial General Liability Insurance: The Commercial General Liability Insurance shall include completed operations coverage. Blanket Contractual Liability Insurance must be included, expressly insuring each Party's liability for occurrences assumed under the indemnification clause of the Agreement to the extent covered by the standard form Commercial General Liability policy in New Jersey
- c. Comprehensive Automobile Liability Insurance: covering each Party for claims arising from all owned, hired and non-owned vehicles for bodily injury and property damage.
- d. Forms of Policies: all liability insurance shall be on an occurrence basis.

Each party hereto shall provide an original endorsement of its applicable Insurance Policies confirming that the other Party is an Additional Insured with respect to the required coverage hereunder.

9. Reciprocal Training.

PFDP and PVWC further agree to perform reciprocal training in areas such as Confined Space Awareness, annual refresher training and OSHA Disaster Site Worker courses. These refresher training courses shall be scheduled regionally whenever possible.

10. Assignment, Delegation, and Assurances.

Neither Party may assign any of its rights or duties under this Agreement to any person or entity without securing in advance the expressed, written permission of the of Party.

If the Paterson wishes to, or believes that it needs to, delegate any of its duties to other persons or entities who are not employed by Paterson or the PFD, the PFDP shall provide notice to the PVWC of the various proposed delegees and their proposed duties (hereinafter "Paterson's Notice of Delegees") before delegating any duties owed to the PVWC arising out of this Agreement. The Paterson's Notice of Delegees shall be provided to the PVWC's Designated Representative reasonably in advance of the proposed delegation to enable the PVWC to address to the PDFP's Designated Representative any concerns that it might have in connection therewith. The PVWC may reject a proposed delegee or reject the proposed delegation of certain tasks if the PVWC has good cause to reject same, in which case, Paterson shall not delegate to the extent objected to by the PVWC. Paterson shall be responsible for supervising any delegees. Paterson shall remain responsible to the PVWC for the acts and/or omissions of its delegees, and in no event shall Paterson be relieved of liability on the basis that the goods, services, or other work supplied under this Agreement were performed by a delegee of Paterson and not by the PFDP or Paterson. In no event shall the PFDP delegate a duty herein if such delegation may violate the law or expose the PVWC to liability as a result of the delegation.

11. Termination:

Each Party may terminate this Agreement upon the provision of one hundred twenty (120) days written notice to the other in which case Paterson would reimburse PVWC for any and all pro-rated unused time. Such notice shall be delivered by Certified Mail, Return Receipt Requested to the address specified in this Agreement.

In the event of termination, the pro-rated amount due to PVWC would be computed by taking the quarterly amount paid to Paterson by PVWC (for the quarter in which the termination occurred) and deducting the sum of the daily amounts (with each daily amount computed by taking the appropriate monthly amount in the Table in Article 4 herein and dividing same by the number of calendar days in that month) for each and every month or portion thereof remaining in the quarter in which the termination occurred from the termination date to the end of said quarter.

12. Applicable Law:

This Agreement is made and entered into in the County of Passaic, State of New Jersey. Any and all questions of law arising hereunder shall be construed in accordance with the laws of the State of New Jersey, and venue and jurisdiction shall lie in the County of Passaic, unless otherwise agreed to by consent of both Parties and in accordance with applicable law.

13. The Agreement:

The Agreement shall be deemed the entire Agreement between the Parties and shall consist of the following component parts:

- a. This Agreement.
- b. Any subsequent addenda, Exhibits, Schedules, etc., agreed to by both Parties and entered into in accordance with Paragraph 15 below.

14. Severability:

The invalidity or unenforceability of any provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

15. Amendments:

This Agreement may only be amended by a written document duly authorized by their respective governing bodies and properly executed and attested by the authorized officers of both Parties.

ATTEST:

\_\_\_\_\_

Approved:

\_\_\_\_\_  
SONIA GORDON  
City Clerk

\_\_\_\_\_  
DOMENICK STAMPONE, ESQ.  
Corporation Counsel

ATTEST:

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

CITY OF PATERSON

\_\_\_\_\_  
ANDRE SAYEGH  
Mayor

PASSAIC VALLEY WATER COMMISSION

\_\_\_\_\_  
IDIDA RODRIGUEZ  
President

**PASSAIC VALLEY WATER COMMISSION**

**SHARED SERVICES AGREEMENT WITH THE CITY OF PATERSON FOR THE  
PROVISION OF EMERGENCY RESCUE AND PREVENTIVE SERVICES AND  
CONSULTATION RELATED TO CONFINED SPACES**

**PATERSON'S RESOLUTION DATED NOVEMBER 20, 2018  
AUTHORIZING THE 5-YEAR SERVICES AGREEMENT WITH PVWC**

**EXHIBIT B**

# Resolution of the City of Paterson, N.J.

No. . . . . 21                      Res. # . . . . . 18:613                      Date of Adoption . . . . . November 20, 2018

Division . . . . .

Factual Contents Certified By  
*Bi. J. McDuff*                      10/24/18  
 Title                      Date

TITLE: **RESOLUTION AUTHORIZING A 5-YEAR INTER-LOCAL SERVICES AGREEMENT WITH THE PASSAIC VALLEY WATER COMMISSION FOR THE PROVISION OF EMERGENCY AND PREVENTIVE SERVICES AND CONSULTATION RELATIVE TO CONFINED SPACES FOR THE FIRE DEPARTMENT**

Approved As to Form and Legality on Basis of Facts Set Forth  
*[Signature]*                      12/29/18  
 CORPORATION COUNSEL                      Date

COUNCILPERSON LUIS VELEZ . . . . . Introducing the Following Resolution:

WHEREAS, the municipal council of the city of Paterson, on April 26, 2016, adopted resolution number 16:263 authorizing an inter-local services agreement with the Passaic Valley Water Commission (PVWC) for the provision of emergency and preventive services and consultation relative to confined spaces; and

WHEREAS, the original inter-local services agreement provided that it shall remain in effect for a two (2) year period from August 1, 2016 to July 31, 2018; and

WHEREAS, the City Council approved a one-year extension of the aforementioned agreement on April 24, 2018 by Resolution 18:218 effective August 1, 2018 through July 31, 2019; and

WHEREAS, the aforementioned services will be provided by specially assigned fire department personnel who will provide regular and consultative services with respect to PVWC'S operations at its' various facilities in order to enhance the safety and protection of PVWC'S Employees, Agents, Officers, Vendors, Members of the general public and others; and

WHEREAS, the current Administration has considered a request for a long term agreement with the PVWC in order to ensure the uninterrupted continuation of these critical services; and

WHEREAS, the current agreement allows for a revision of the terms by mutual agreement; and

WHEREAS, a slight downward adjustment of the fee paid to the City was acceptable to both parties since the scope of the services provided by the Fire Department has changed as much of the expense in the original agreement was as result of start-up costs and implementing new procedures; and

WHEREAS, the fee to be collected by the City in Year 1 of the Contract shall be \$140,000 per year, a \$10,000 reduction of the original annual fee of \$150,000 per year; and

WHEREAS, the schedule of compensation allows for a 2% annual increase as follows; and

Period	Monthly Amount	Annual Amount
Through December 31, 2018	\$12,500.00	Prorated
January 1, 2019 through December 31, 2019	\$11,666.67	\$140,000.00
January 1, 2020 through December 31, 2020	\$11,900.00	\$142,800.00
January 1, 2021 through December 31, 2021	\$12,138.00	\$145,656.00
January 1, 2022 through December 31, 2022	\$12,380.76	\$148,569.12
January 1, 2023 through December 31, 2023	\$12,628.38	\$151,540.50



**RESOLUTION AUTHORIZING A 5-YEAR INTERLOCAL  
SERVICES AGREEMENT WITH THE PASSAIC VALLEY  
WATER COMMISSION FOR THE PROVISION OF  
EMERGENCY AND PREVENTIVE SERVICES AND  
CONSULTATION RELATIVE TO CONFINED SPACES  
FOR THE FIRE DEPARTMENT**

Page 2 of 2

**WHEREAS**, the contract provides that The Passaic Valley Water Commission will pay the City of Paterson a fee in the amount of \$728,565.62 over the life of the 5-year agreement beginning January 1, 2019 to December 31, 2023; and

**WHEREAS**, it is the recommendation of the Fire Chief that it is in the best interests of the City to enter into this new 5-year inter-local agreement for the period January 1, 2019 to December 31, 2023.

**NOW THEREFORE BE IT RESOLVED** by the Municipal Council of the City of Paterson that the 5-year inter-local agreement with the Passaic Valley Water Commission for the provision of emergency and preventive services and consultation relative to confined spaces be approved for the period of January 1, 2019 to December 31, 2023.

**BE IT FURTHER RESOLVED** that the Mayor and the City Clerk be and are hereby authorized to execute any necessary documents approved as to form by the law department.

**BE IT FURTHER RESOLVED THAT** this inter-local agreement may be subject to the existing memorandum of understanding between the City and the State of New Jersey Department of Community Affairs ("DCA").

**STATEMENT OF PURPOSE**

The Purpose of this resolution is to implement a new inter-local agreement with the Passaic Valley Water Commission for the provision of emergency and preventive services and consultation relative to confined spaces for a five (5) year period.

SECONDED BY COUNCILPERSON LILISA MIMMS

*Do Not Use Space Below This Line*

RECORD OF COUNCIL VOTE ON FINAL PASSAGE	AYE	NAY	ABSTAIN	ABSENT
1. COTTON, RUBY N.	X			
2. DAVILA, MARITZA	X			
3. JACKSON, MICHAEL	X			
4. KHALIQUE, SHAHIN	X			
5. McKOY, WILLIAM C.	X			
6. MIMMS, LILISA	X			
7. RIVERA, FLAVIO				X
8. VELEZ, LUIS	X			
9. ABDELAZIZ, ALAA "AL"	X			

Adopted at a meeting of the Municipal Council of the City of Paterson, N.J., November 20, 2018

MARITZA DAVILA

President of the Council

SONIA L. GORDON

City Clerk

This Resolution when adopted must remain in the custody of the City Clerk. Certified copies are available.

**PASSAIC VALLEY WATER COMMISSION**

**SHARED SERVICES AGREEMENT WITH THE CITY OF PATERSON FOR THE  
PROVISION OF EMERGENCY RESCUE AND PREVENTIVE SERVICES AND  
CONSULTATION RELATED TO CONFINED SPACES**

**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, there are or will be sufficient funds for expenditures to be incurred as a result of any contract or commitment to be entered by Passaic Valley Water Commission as follows:

Description of Project or Contract: Shared Service Agreement for Emergency Rescue and Preventive Services & Confined Space Consultation (City of Paterson) for five years

Amount of Project or Contract:

Period	Monthly Amount	Annual Amount
Through December 31, 2018	\$12,500.00	Prorated
January 1, 2019 through December 31, 2019	\$11,666.67	\$140,000.00
January 1, 2020 through December 31, 2020	\$11,900.00	\$142,800.00
January 1, 2021 through December 31, 2021	\$12,138.00	\$145,656.00
January 1, 2022 through December 31, 2022	\$12,380.76	\$148,569.12
January 1, 2023 through December 31, 2023	\$12,628.38	\$151,540.50

Acct #: 001-3002-424-72-21 Outside Contractors

Date of Certification: December 7, 2018



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

YW:yw

# 2019 Commission Budget Resolution

## Passaic Valley Water Commission

**FISCAL YEAR: FROM January 1, 2019 TO December 31, 2019**

WHEREAS, the Annual Budget and Capital Budget for the Passaic Valley Water Commission for the fiscal year beginning, January 1, 2019 and ending, December 31, 2019 has been approved by the governing body of the Passaic Valley Water Commission at its open public meeting of December 19, 2018; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$ 103,637,058, Total Appropriations, including any Accumulated Deficit if any, of \$ 87,959,014 and Total Unrestricted Net Assets utilized of \$ 0; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$ 67,860,300 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$ 27,810,300; and

WHEREAS, it is anticipated that the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Commission, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law; and

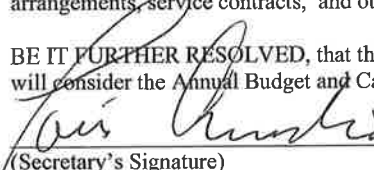
WHEREAS, the Commissioners wished to spend more time, study and effort examining the proposed budget and attempting to find potential economies, especially with respect to the expense side of the proposed budget, in concert with Passaic Valley Water Commission staff and approved the budget at its regularly scheduled meeting of December 19, 2018; and

WHEREAS, the Commission normally is required to submit it's budget for approval sixty days before the beginning of it's fiscal year,

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Passaic Valley Water Commission, at an open public meeting held on December 19, 2018, that the Annual Budget, including appended Supplemental Schedules, and the Capital Budget/Program of the Passaic Valley Water Commission for the fiscal year beginning, January 1, 2019 and ending, December 31, 2019 was approved for late submission subject to the above-recited reservations; and

BE IT FURTHER RESOLVED, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Authority's outstanding debt obligations, capital lease arrangements, service contracts, and other pledged agreements; and

BE IT FURTHER RESOLVED, that the governing body of the Passaic Valley Water Commission will consider the Annual Budget and Capital Budget/Program for adoption on February 20, 2019.

  
(Secretary's Signature)

12/19/2018  
(Date)

Governing Body

Member:

**Rodriguez, Idida**

**Vannoy, Robert**

**Levine, Jeffrey**

**Kolodziej, Joe**

**Sanchez, Rigo**

**Van Rensalier, Ronald**

**Friend, Gerald**

Aye

Nay

Recorded Vote

Abstain

Absent

X

X

X

X

X

X

X

# 2019 ADOPTED BUDGET RESOLUTION

## Passaic Valley Water Commission

(Name)

### AUTHORITY

**FISCAL YEAR:**    **FROM:**    January 1, 2019    **TO:**    December 31, 2019

WHEREAS, the Annual Budget and Capital Budget/Program for the Passaic Valley Water Commission Authority for the fiscal year beginning January 1, 2019 and ending, December 31, 2019 has been presented for adoption before the governing body of the Passaic Valley Water Commission Authority at its open public meeting of February 20, 2019; and

WHEREAS, the Annual Budget and Capital Budget as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$ 103,637,058, Total Appropriations, including any Accumulated Deficit if any, of \$ 87,959,014 and Total Unrestricted Net Position utilized of \$ 0 ; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$ 67,860,300 and Total Unrestricted Net Position planned to be utilized as funding thereof, of \$ 27,810,300; and

NOW, THEREFORE BE IT RESOLVED, by the governing body of Passaic Valley Water Commission Authority, at an open public meeting held on February 20, 2019 that the Annual Budget and Capital Budget/Program of the Passaic Valley Water Commission Authority for the fiscal year beginning, January 1, 2019 and ending, December 31, 2019 is hereby adopted and shall constitute appropriations for the purposes stated; and

BE IT FURTHER RESOLVED, that the Annual Budget and Capital Budget/Program as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services.

  
(Secretary's Signature)

12/19/2018  
(Date)

Governing Body	Recorded Vote				
Member:	Aye	Nay	Abstain	Absent	
<b>Rodriguez, Idida</b>	<b>X</b>				
<b>Vannoy, Robert</b>	<b>X</b>				
<b>Levine, Jeffrey</b>	<b>X</b>				
<b>Kolodziej, Joe</b>	<b>X</b>				
<b>Sanchez, Rigo</b>	<b>X</b>				
<b>Van Rensalier, Ronald</b>	<b>X</b>				
<b>Friend, Gerald</b>	<b>X</b>				



# PASSAIC VALLEY WATER COMMISSION

RESOLUTION #18-104

## RESOLUTION OF PASSAIC VALLEY WATER COMMISSION

DATE OF ADOPTION: December 19, 2018

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: VANNOY 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 matters 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: SANCHEZ Time: 10:00 a.m.

### RECORD OF COMMISSION VOTE ON FINAL PASSAGE

	AYE	NAY	ABSTAIN	ABSENT
FRIEND, G.	<u>X</u>	___	___	___
VANNOY, R.	<u>X</u>	___	___	___
LEVINE, J.	<u>X</u>	___	___	___
KOLODZIEJ, J.	<u>X</u>	___	___	___
VAN RANSALIER, R.	<u>X</u>	___	___	___
SANCHEZ, R.	<u>X</u>	___	___	___
RODRIGUEZ, I.	<u>X</u>	___	___	___

Adopted at a meeting of Passaic Valley Water Commission.

  
President

  
Secretary

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



## PASSAIC VALLEY WATER COMMISSION

### 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 December 19, 2018.

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