

**RESOLUTION 20-1**  
**RESOLUTION OF PASSAIC VALLEY WATER COMMISSION**  
**DATE OF ADOPTION: JANUARY 15, 2020**

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: **VANNOY**

Seconded by Commissioner: **VAN RENSA LIER**

**WHEREAS**, the Passaic Valley Water Commission ("PVWC") routinely secured an excess insurance policy, commonly referred to as "Commercial Excess" coverage, which adds coverage above the limits contained in the PVWC's primary general commercial liability coverage;

**WHEREAS**, on December 20, 2019 the PVWC received a quotation for renewal of its existing Commercial Excess Policy for policy year 2020 ("Quote"), issued by its current insurer, Travelers Property Casualty Company of America ("Travelers") to the PVWC's brokers, Jon Ziman of Capacity Coverage Co and Luis Alamo of Alamo Insurance Group ("Alamo") on behalf of the PVWC; and

**WHEREAS**, a copy of the Quote is attached hereto as **Exhibit A**; and

**WHEREAS**, on or about December 31, 2019, in order to avoid a lapse in coverage, the PVWC directed Alamo to bind coverage based on the Quote, which Alamo did just before January 1, 2020; and

**WHEREAS**, the total cost for securing this Commercial Excess Policy, including all fees and state charges, is \$125,422.00 as shown on the Purchase Order submitted to the PVWC by Alamo on January 6, 2020, a copy of which is attached hereto as **Exhibit B**; and

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

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

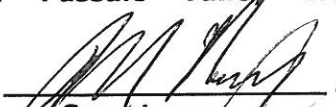
1. That the Commission wishes to secure Commercial Excess Insurance coverage for the Commission as per the Quote and the Purchase Order attached as exhibits to this Resolution, and
2. That the appropriate officers of the Commission are hereby authorized to execute whatever documents are needed to bind coverage, and to take whatever steps are needed to secure and maintain this insurance policy in accordance with this Resolution and the submissions provided in connection therewith, including payment of the premium and charges.

**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 RENSA LIER, R.</b>	<u>X</u>	—	—	—
<b>COTTON, E.</b>	<u>X</u>	—	—	—
<b>SANCHEZ, R.</b>	<u>X</u>	—	—	—

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

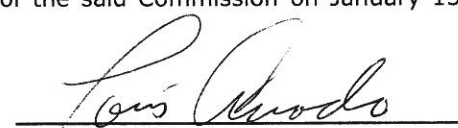
\_\_\_\_\_  
**President**  
**RIGO SANCHEZ**

  
 \_\_\_\_\_  
**Secretary**  
**ROBERT VANNOY**

**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 January 15, 2020.

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

**PASSAIC VALLEY WATER COMMISSION**

**Policy Year 2020 Commercial Excess Insurance Coverage**

**Quotation for Renewal of Existing  
Commercial Excess Policy for policy year 2020  
Issued by Travelers Property Casualty Company of America  
On December 20, 2019**

**EXHIBIT A**



Travelers Excess Casualty  
343 Thornall Street  
Edison, NJ 08837

12/20/2019

## COMMERCIAL EXCESS QUOTATION – OCCURRENCE

To: Capacity Coverage Co  
Po Box 1689  
Pearl River, NY 10965

Attn.: Jon Ziman

Email: jziman@capcoverage.com

Phone: 201-661-2460

From: Greta M. Compton  
Account Executive Officer

Email: GCOMPTON@travelers.com

Phone: (732)205-9291

Michael Fay  
Sr Technical Account Manager

Email: MFAY1@Travelers.com

Phone: (917)778-6448

We are pleased to QUOTE the following account.

THE FOLLOWING OUTLINES THE COVERAGE FORMS, LIMITS OF INSURANCE, POLICY ENDORSEMENTS AND OTHER TERMS AND CONDITIONS PROVIDED IN THIS PROPOSAL/QUOTE. ANY POLICY COVERAGES, LIMITS OF INSURANCE, POLICY ENDORSEMENTS, COVERAGE SPECIFICATIONS, OR OTHER TERMS AND CONDITIONS THAT YOU HAVE REQUESTED THAT ARE NOT INCLUDED IN THIS PROPOSAL/QUOTE HAVE NOT BEEN AGREED TO BY TRAVELERS. PLEASE REVIEW THIS PROPOSAL/QUOTE CAREFULLY AND IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT YOUR TRAVELERS REPRESENTATIVE.

**Proposed Policy Period: 1/1/2020 - 1/1/2021**

**Applicant:** Passaic Valley Water Commission

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

**Issuing Company:** Travelers Property Casualty Company of America

**Coverage:** Excess Liability

Please refer to the "Disclosure Notice - Offer of Terrorism Insurance Coverage"

**Limit Quoted:** \$15,000,000 - Each Occurrence  
\$15,000,000 - Annual Aggregate

**Excess of:** \$10,000,000 Each Occurrence/Annual Aggregate Where  
Applicable Excess of Underlying Insurance

**Controlling Underlying Insurance:**

**Carrier:** Munich Re  
**Limits:** \$10,000,000 - Each Occurrence  
\$20,000,000 - Aggregate (where applicable)  
Defense costs are in addition to limits

**Controlling Underlying Terms & Conditions: per expiring**

**Taxes / Surcharges** \$748 NJ - Property and Liability Guaranty Surcharge

**TRIA Premium:**

**Total Premium excluding TRIA:** \$124,181 (Includes Taxes and Surcharges)

**Total Premium including TRIA:** \$125,422 (Includes Taxes and Surcharges)

**Billing Type and Premium Payment:** Agency Bill - Full Pay

**Policy Form, Terms and Conditions:**

1. Amendment - Follow Form to Exclusions in Underlying Insurance Only When Excess of Controlling Underlying Insurance and Post Judgment Interest, XP0211
2. Amendment - Reduced or Exhausted Aggregate, XP0259
3. Amendment of Common Policy Conditions--Prohibited Coverage--Unlicensed Insurance And Trade Or Economic Sanctions, XP0237
4. Cap On Losses From Certified Acts Of Terrorism, ILT414
5. Controlling Underlying Policies and Limits, CGD077
6. Excess (Following Form) Liability Insurance, XP0001
7. Exclusion - Abuse or Molestation, XP0154
8. Exclusion - Access or Disclosure of Confidential or Personal Information, XP0205
9. Exclusion - Cross Liability, XP0123
10. Exclusion - Dams, Reservoirs, Levees, Dikes or Canals, XP0212
11. Exclusion - Designated Exposure, XP0077 (communicable disease)
12. Exclusion - Designated Professional Services, XP0169 (all professional services)

13. Exclusion - Discrimination, XP0117
14. Exclusion - Failure To Supply, XP0104
15. Exclusion - Lead, XP0163
16. Exclusion - Occupational Disease, XP0089
17. Exclusion - Subsidence Hazard, XP0220
18. Exclusion - Unmanned Aircraft, XP0269
19. Exclusion - Unsolicited Communications, XP0260
20. Federal Terrorism Risk Insurance Act Disclosure, D0100
21. Fungi or Bacteria Exclusion, XP0174
22. Important Notice Regarding Independent Agent Broker Compensation, PNT454
23. Limitation When Two Or More Policies Apply To The Same Claim Or Suit, XP0175
24. New Jersey Changes - Cancellation and Nonrenewal, XP0048
25. Policy Declarations Excess (Following Form) Liability Insurance Policy, CGT096
26. Silica Exclusion, XP0181
27. Total Pollution Exclusion With Exception For Hostile Fire, XP0202
28. Underlying Policies and Limits, CGD087
29. Uninsured/Underinsured Motorists And No-Fault Exclusion, XP0120

**Subject to:** (This quotation may be voided or the policy canceled if the following are not fully complied with.) Please review carefully as most, if not all, are required to bind coverage.

- A. All underlying carriers must meet our underwriting guidelines (AM Best rating of A-VI or better).
- B. We require copies of the underlying policies within 60 days of binding and we reserve the right to modify, back to inception, our policy provisions as we see fit in response to any material differences, as determined in our sole discretion, between the underlying policies and their corresponding binders.
- C. If there are any layers above our layer, with the insured's consent, please provide the carrier's name, limit and their respective premiums.
- D. Coverage follows form to the Immediate Underlying Insurance on Uninsured/Underinsured Motorist coverage. Please complete and sign the selection/rejection forms. Signed selection/rejection forms are required within 15 days of binding coverage.

If any state taxes or surcharges are applicable, they have been included in the quoted premium.

**THIS PROPOSAL/QUOTE DOES NOT AMEND, OR OTHERWISE AFFECT, THE PROVISIONS OF COVERAGE OF ANY RESULTING INSURANCE POLICY ISSUED BY TRAVELERS. IT IS NOT A REPRESENTATION THAT COVERAGE DOES OR DOES NOT EXIST FOR ANY PARTICULAR CLAIM OR LOSS UNDER ANY SUCH POLICY. COVERAGE DEPENDS ON THE APPLICABLE PROVISIONS OF THE ACTUAL POLICY ISSUED, THE FACTS AND CIRCUMSTANCES INVOLVED IN THE CLAIM OR LOSS AND ANY APPLICABLE LAW.**

Thank you for considering Travelers as your Excess Liability carrier. We look forward to providing superior service and coverage for you and your Insured.

This quote is valid for 30 days or the proposed effective date whichever comes first.

Sincerely,

*Greta M. Compton*

Greta M. Compton, CPCU  
Account Executive Officer

Phone: (732)205-9291  
Email: GCOMPTON@travelers.com

## **Important Notice Regarding Compensation Disclosure**

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website:

[http://www.travelers.com/w3c/legal/Producer\\_Compensation\\_Disclosure.html](http://www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html)

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Enterprise Development, One Tower Square, Hartford, CT 06183.



## DISCLOSURE NOTICE – OFFER OF TERRORISM INSURANCE COVERAGE

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). Act Of Terrorism is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is established by TRIA and is a percentage of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA). Through 2020, that percentage is established by TRIA as follows:

- 85% with respect to such Insured Losses occurring in calendar year 2015.
- 84% with respect to such Insured Losses occurring in calendar year 2016.
- 83% with respect to such Insured Losses occurring in calendar year 2017.
- 82% with respect to such Insured Losses occurring in calendar year 2018.
- 81% with respect to such Insured Losses occurring in calendar year 2019.
- 80% with respect to such Insured Losses occurring in calendar year 2020.

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

Pursuant to TRIA, the premium for coverage for Insured Losses covered by TRIA is \$1,234

### **IMPORTANT NOTES:**

- This terrorism premium is subject to change if this account accepts this offer and the policy is subsequently renewed with us.
- This terrorism premium does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA.
- If this account does not accept this offer, the policy will include a terrorism exclusion.

**IF THE INSURED ACCEPTS OUR ACCOUNT QUOTATION, PLEASE INFORM US IF THIS ACCOUNT HAS ACCEPTED OR REJECTED OUR OFFER OF COVERAGE FOR CERTIFIED ACTS OF TERRORISM.**



**PASSAIC VALLEY WATER COMMISSION**

**Policy Year 2020 Commercial Excess Insurance Coverage**

**Purchase Order dated January 6, 2020 to Acquire Commercial  
Excess Insurance Coverage from Travelers Property Casualty  
Company of America for policy year 2020**

**EXHIBIT B**

# PASSAIC VALLEY WATER COMMISSION

1525 MAIN AVENUE, CLIFTON, N.J. 07015  
 TELEPHONE (973)340-4300 FAX (973)340-5584

Date: January 3, 2020

Remit To Alamo Insurance Group, Inc.

GOVERNMENT AGENCY  
 TAX EXEMPT

Address 55 Flanagan Way, Suite 301

City Secaucus, NJ 07094

RECORD ALL  
 Information on this  
 Voucher - DO NOT  
 send duplicate Invoice

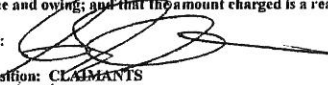
**Finance Dept: Please return  
 check to Legal Dept.**

OUR PURCHASE ORDER NUMBER MUST APPEAR ON ALL

VOUCHERS, PACKAGES AND SHIPPING PAPERS

Terms \_\_\_\_\_ PVWC Purchase Order No. \_\_\_\_\_ Claimants Work Order No. \_\_\_\_\_

Your Invoice No.	Date Your Delivery Made	We Ordered	You Shipped	ITEMS	Unit Price	Extensions
				Follow Form Excess Policy - Traveler's Insurance Co. Renewal of Policy # ZUP-61M90171-19-NF	\$124,674.00	
				NJ PLIGA Charges	\$748.00	
					\$125,422.00	
				This Order is: Complete <input type="checkbox"/> Partial <input type="checkbox"/>		

<p><b>P.V.V.C. OFFICER'S/EMPLOYEE'S CERTIFICATION</b></p> <p>I, having knowledge of the facts, certify that the materials and supplies have been received or the services rendered; said certification being based on signed delivery slips or other reasonable procedures.</p> <p>Date Received: 20</p> <p>Signature:</p> <p>Title:</p>	<p><b>CLAIMANT'S CERTIFICATION AND DECLARATION</b></p> <p>I do solemnly declare and certify under the penalties of the law that the within bill is correct in all its particulars; that the articles have been furnished or services rendered as stated therein; that no bonus has been given or received by any person or persons within the knowledge of this claimant in connection with the above claim; that the amount therein stated is justly due and owing; and that the amount charged is a reasonable one.</p> <p>Signatures: </p> <p>Official Position: CLAIMANTS</p> <p>Date: 1/6/2020</p>
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**DO NOT WRITE BELOW THIS LINE**

DISTRIBUTION		Payment Record		Description	Date	Initials
ACCOUNT	AMOUNT		\$			
		Total Amount Claimed:		Prices & Conditions In Order:		
		Presented to Commission On:		Extensions Checked:		
		Paid With Check Number:		Approved For Payment:		
				Comments:		

**EXHIBIT A TO AGREEMENT**  
**RESOLUTION 20-2**  
**RESOLUTION OF PASSAIC VALLEY WATER COMMISSION**

**DATE OF ADOPTION: JANUARY 15, 2020**

Approved as to form and legality by Law Department.

Introduced by Commissioner: **FRIEND**

Seconded by Commissioner: **KOLODZIEJ**

**WHEREAS**, Passaic Valley Water Commission ("PVWC") is a member of the New Jersey Utility Authorities Joint Insurance Fund, ("the Fund"); and

**WHEREAS**, said renewed membership terminates as of December 31, 2019 unless earlier renewed by agreement ("Agreement") between the Authority and the Fund; and

**WHEREAS**, the PVWC desires to renew said membership.

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

1. PVWC agrees to renew its membership in the Fund and to be subject to the Bylaws, Rules and Regulations, coverages, and operating procedures thereof as presently existing or as modified from time to time by lawful act of the Fund.
2. PVWC's appropriate officials shall be and hereby are authorized to execute the agreement to renew membership annexed hereto and made a part hereof and to deliver same to the Fund evidencing PVWC's intention to renew its membership.

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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>RODRIGUEZ, I.</b>	<u>X</u>	___	___	___
<b>SANCHEZ, R.</b>	<u>X</u>	___	___	___

Adopted at a meeting of Passaic Valley Water Commission.

  
\_\_\_\_\_  
President  
RIGO SANCHEZ

  
\_\_\_\_\_  
Secretary  
ROBERT VANNOY

**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 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 January 15, 2019.

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

**EXHIBIT A**

**CERTIFIED COPY OF PASSAIC VALLEY WATER COMMISSION'S RESOLUTION  
AUTHORIZING THE EXECUTION OF THIS AGREEMENT**

**AGREEMENT**  
**TO RENEW MEMBERSHIP**  
**IN THE NEW JERSEY UTILITY AUTHORITIES**  
**JOINT INSURANCE FUND**

**DATED:** \_\_\_\_\_

**Record and Return to:**  
**George T. Hanley, Esq.**  
**General Counsel**  
**Passaic Valley Water Commission**  
**1525 Main Avenue**  
**Clifton, NJ 07011**

**THIS AGREEMENT** (“Agreement”) made as of this \_\_\_ day of \_\_\_\_\_, 2020,  
by and between

**PASSAIC VALLEY WATER COMMISSION**, a body politic of the State of New Jersey, organized pursuant to *N.J.S.A. 40:62-108 et seq.* having its principal offices at 1525 Main Avenue in the City of Clifton, County of Passaic, and State of New Jersey 07015 (hereinafter “PVWC”),

**AND**

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND**, having its/their principal offices at 9 Campus Drive, Suite 216, Parsippany, NJ 07054, individually and collectively, (hereinafter “THE FUND”).

**PREAMBLE**

**WHEREAS**, THE FUND is a duly chartered Municipal Insurance Fund as authorized by NJSA 40A:10-36 et seq., and

**WHEREAS**, PVWC is currently a member of THE FUND; and

**WHEREAS**, effective December 31, 2019, said membership will expire unless earlier renewed; and

**WHEREAS**, the Governing Body of PVWC has resolved to renew said membership;

**NOW THEREFORE**, it is agreed, as follows:

1. PVWC hereby renews its membership in THE FUND for a three (3) year period, beginning January 1, 2020 and ending January 1, 2023.
2. PVWC hereby ratifies and reaffirms the Indemnity and Trust Agreement, By Laws and other applicable organizational and operational documents of THE FUND, as from time to time may be amended pursuant to the New Jersey Department of Insurance in accordance with the applicable statutes and administrative regulations as if each and every one of said legal authorities were re-executed contemporaneously herewith.
3. PVWC agrees to be a participating member of THE FUND for the period herein provided for and to comply with all of the rules and regulations and obligations associated with said membership.
4. In consideration of the continuing membership of PVWC in THE FUND, THE FUND agrees, subject to the continuing approval of the Commissioner of Banking & Insurance, to accept the renewal application of PVWC.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be properly executed and their corporate seals, where applicable, affixed and attested to as of this \_\_\_\_ day of January \_\_\_\_\_, 2020.

Attest:

PVWC

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

By: \_\_\_\_\_  
GEORGE T. HANLEY, ESQ.  
General Counsel

NEW JERSEY UTILITY  
AUTHORITIES JOINT  
INSURANCE FUND,

\_\_\_\_\_  
Witness

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

STATE OF NEW JERSEY)  
  ) ss.  
COUNTY OF PASSAIC    )

I CERTIFY that on \_\_\_\_\_, 2020, \_\_\_\_\_, personally came before me and acknowledged under oath, to my satisfaction, that:

- (a) he signed and delivered the attached document as an authorized representative of NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND, the company named in this document;  
and
- (b) this document was signed and made by said member entity (PVWC) as its voluntary act and deed by virtue of authority from its members.

\_\_\_\_\_  
Notary Public



## New Jersey Utility Authorities Joint Insurance Fund

9 Campus Drive, Suite 216  
Parsippany, NJ 07054-4412  
Telephone (201) 881-7632 Fax (201) 881-7633  
www.njuajif.org

August 1, 2019

George Hanley  
Fund Commissioner  
Passaic Valley Water Commission  
C/O C. Vozzella  
1525 Main St.  
Clifton, NJ 07015

Re: Resolution to Renew Membership  
Agreements to Renew Membership

Dear George Hanley,

Your authority's membership in the New Jersey Utility Authorities Joint Insurance Fund expires on December 31, 2019. To maintain your membership, your governing body needs to adopt a renewal membership resolution and execute the enclosed indemnity & trust agreement for an additional three years.

2019 is, the New Jersey Utility Authorities Joint Insurance Fund 29th year of operation. During that time, the NJUA JIF has grown from 17 charter members to its current membership of 71 authorities. The NJUA JIF has become a very successful joint insurance fund and is in a very strong financial position.

As of May 31, 2019, the NJUA JIF has earned \$27,550,968 in surplus, representing 14 % of the total assessments collected. While the Fund is required to retain a surplus in accordance with regulations promulgated by the Department of Banking & Insurance, the Fund has been able to return \$23,584,787 in dividends to its members.

Since its inception, the Fund has expanded its coverages to include public officials and employment practices liability, crime coverage and environmental impairment liability.

We would be glad to provide any information you would like about the Fund to assist you in your decision to renew your membership. Additionally, we would be more than happy to meet with you or your governing body to discuss your continued membership.

Enclosed you will find the Resolution to Renew and Agreement to Renew. Please execute these documents and return to the Fund office by October 1, 2019.

Thank you for your attention to this matter.

Sincerely,  
NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND

*Cathleen Kiernan*

Cathleen Kiernan, Executive Director  
Perma Risk Management Services

cc: Dave Sgalia, Risk Manager

**AGREEMENT TO RENEW MEMBERSHIP IN THE  
NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND**

WHEREAS, the New Jersey Utility Authorities Joint Insurance Fund (hereinafter the Fund) is a duly chartered Municipal Insurance Fund as authorized by NJSA 40A:10-36 et seq., and;

WHEREAS, the Passaic Valley Water Commission is currently a member of said Fund, and;

WHEREAS, effective December 31, 2019, said membership will expire unless earlier renewed, and;

WHEREAS, the Governing Body of the Passaic Valley Water Commission has resolved to renew said membership;

NOW THEREFORE, it is agreed as follows:

1. Passaic Valley Water Commission hereby renews its membership in the New Jersey Utility Authorities Joint Insurance Fund for a three (3) year period, beginning January 1, 2020 and ending January 1, 2023.\*
2. The Passaic Valley Water Commission hereby ratifies and reaffirms the Indemnity and Trust Agreement, Bylaws and other organizational and operational documents of the New Jersey Utility Authorities Joint Insurance Fund as from time to time amended and altered by the Department of Insurance in accordance with the Applicable Statutes and administrative regulations as if each and every one of said documents were re-executed contemporaneously herewith.
3. The Passaic Valley Water Commission agrees to be a participating member of the Fund for the period herein provided for and to comply with all of the rules and regulations and obligations associated with said membership.

\*12:01 am

4. In consideration of the continuing membership of the Passaic Valley Water Commission in the New Jersey Utility Authorities Joint Insurance Fund, the New Jersey Utility Authorities Joint Insurance Fund agrees, subject to the continuing approval of the Commissioner of Banking & Insurance, to accept the renewal application of the Passaic Valley Water Commission.
  
5. Executed the \_\_\_\_\_ day of \_\_\_\_\_, 2019 as the lawful and binding act and deed of the \_\_\_\_\_, which execution has been duly authorized by public vote of the governing body.

AUTHORITY CHAIRPERSON

---

ATTEST

---

NEW JERSEY UTILITY AUTHORITIES  
JOINT INSURANCE FUND

**RESOLUTION FOR RENEWAL OF MEMBERSHIP  
IN THE  
NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND**

WHEREAS, the Passaic Valley Water Commission is a member of the New Jersey Utility Authorities Joint Insurance Fund; and

WHEREAS, said renewed membership terminates as of December 31, 2019 unless earlier renewed by agreement between the Authority and the Fund; and

WHEREAS, the Authority desires to renew said membership;

NOW THEREFORE, be it resolved as follows:

1. The Passaic Valley Water Commission agrees to renew its membership in the New Jersey Utility Authorities Joint Insurance Fund and to be subject to the Bylaws, Rules and Regulations, coverages, and operating procedures thereof as presently existing or as modified from time to time by lawful act of the Fund.
2. The Governing Body shall be and hereby are authorized to execute the agreement to renew membership annexed hereto and made a part hereof and to deliver same to the New Jersey Utility Authorities Joint Insurance Fund evidencing the Authority's intention to renew its membership.

This Resolution agreed to this day of \_\_\_\_\_, 2019 by a vote  
of: \_\_\_\_\_ Affirmative  
          \_\_\_\_\_ Negative

CHAIRPERSON

\_\_\_\_\_  
ATTEST

\_\_\_\_\_  
DATE

**RESOLUTION 20-03  
PASSAIC VALLEY WATER COMMISSION**

**Resolution Authorizing an Access, Indemnification, and Reservation of Rights Agreement with Henkel U.S. Operations Corp. f/k/a The Dial Corporation to Access and Investigate soil contamination within PVWC'S Easement Area**

**DATE OF ADOPTION: JANUARY 15, 2020**

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

Introduced by Commissioner: **SANCHEZ**

Seconded by Commissioner: **LEVINE**

**WHEREAS**, Henkel U.S. Operations Corp., f/k/a The Dial Corporation (“Owner”) is the fee title holder of that certain property designated as Lot 4.01 in Block 1801 on the tax map of the City of Paterson, Passaic County, New Jersey (the “Property”); and

**WHEREAS**, the Passaic Valley Water Commission (“PVWC”) has an easement and certain associated rights over a certain portion of the Property as more particularly described in Deed Book V47, page 179 and Deed Book Q50, page 585 (“Easement Area”); and

**WHEREAS**, PVWC maintains potable water transmission mains and associated equipment within the Easement Area (“PVWC’s Equipment”); and

**WHEREAS**, the Property has been, and continues to be, investigated and remediated by Owner in connection with Owner’s compliance with the New Jersey Industrial Site Recovery Act (“ISRA”) in New Jersey Department of Environmental Protection (“NJDEP”) ECRA Case #s E85527 and E89455, NJDEP Preferred Identification #010563 (collectively, the “NJDEP Case”); and

**WHEREAS**, the existence of the PVWC Equipment has created accessibility issues that have effectively precluded Owner from investigating the existence or extent of soil contamination within the Easement Area; and

**WHEREAS**, Owner has addressed soil contamination on the Property, including any contamination that may exist in the Easement Area, by use of an engineering control (cap) and an institutional control (deed notice); and

**WHEREAS**, Owner has retained an environmental consulting firm (“Consultant”) to oversee Owner’s obligation to comply with ISRA and a licensed site remediation professional has determined that it is necessary to perform certain environmental work in the Easement Area in accordance with the NJDEP’s Technical Regulations, N.J.A.C. 7:26E-1 et seq.; and

**WHEREAS**, the environmental work will require Owner to access/occupy a portion of the Easement Area; and

**WHEREAS**, the environmental work will also require Owner to obtain a permit from the NJDEP’s Division of Land Use Regulation and the application form (“Permit Application”) requires the signature of PVWC as the holder of an easement affecting the Property; and

**WHEREAS**, PVWC has conditioned its grant of access/occupation of the Easement Area and its execution of the Permit Application on the Owner and Consultant entering into an Access, Indemnification, and Reservation of Rights Agreement with PVWC (the “Agreement”), a form of which is attached hereto and made a part hereof as Exhibit A; and

**WHEREAS**, under the terms of the proposed Agreement, the PVWC would permit the Owner and Consultant to install a pipe across a portion of Easement Area to connect with a groundwater remediation treatment system on the Property and install new groundwater monitoring wells within the Easement Area, in return for Owner agreeing to indemnify the PVWC, compensate PVWC for its out of pocket expenses incurred in connection with the Agreement, and reimburse PVWC for all reasonable incremental costs that it may incur for future work undertaken in the Easement Area as a result of the existence of soil and groundwater contamination within the Easement Area; and

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

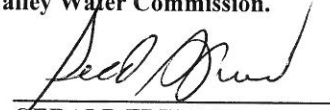
1. That the Commission hereby authorizes and approves the Agreement between PVWC, Owner and Consultant.
2. That appropriate officials of PVWC are hereby authorized and directed to perform such acts and execute such documents as are necessary to implement the terms and intentions of this Resolution and the submissions provided in connection therewith, all as set forth hereinabove.

**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>SANCHEZ, R.</b>	<u>X</u>	—	—	—
<b>VAN RENSAILER, R.</b>	<u>X</u>	—	—	—
<b>COTTON, E.</b>	<u>X</u>	—	—	—
<b>KOLODZIEJ, J.</b>	<u>X</u>	—	—	—

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

  
**JOSEPH KOLODZIEJ**  
President

  
**GERALD FRIEND**  
Secretary

**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 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 January 15, 2020.

  
**LOUIS AMODIO**  
Administrative Secretary

**PASSAIC VALLEY WATER COMMISSION**

**Access, Indemnification and Reservation of Rights Agreement With Henkel U.S. Corp.  
f/k/a The Dial Corporation (Owner)**

**EXHIBIT A**



**PASSAIC VALLEY WATER COMMISSION  
INTER-OFFICE MEMORANDUM**

**DATE:** January 9, 2020

**TO:** Hon. Commissioners

**FROM:** George T. Hanley, Esq.  
General Counsel

**CC:** Joseph A. Bella, Exec. Director  
James A. Duprey, P.E., Bus. Manager  
Louis Amodio, Admin. Secretary

**SUBJECT:** PVWC and Henkel U.S. Corp. Access, Indemnification and Reservation of Rights Agreement (the "Agreement")

PVWC and Henkel U.S. Corp. are desirous of entering into the Agreement for certain limited purposes as set forth in the attached copy of the Form of Agreement, and the same has been found to be acceptable from a technical and administrative perspective.

Therefore, based on the above (and subject to review and approval by the Law Department), it is recommended that the Commission approve the Agreement.

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## Access, Indemnification, and Reservation of Rights Agreement

This Access, Indemnification, and Reservation of Rights Agreement (the "Agreement") is made and entered into as of \_\_\_\_\_, 2020 (the "Effective Date"), by and between Henkel US Operations Corp. f/k/a The Dial Corporation ("Owner"), Passaic Valley Water Commission ("PVWC") and Woodard & Curran Engineering, P.A. ("W&C").

### Recitals

WHEREAS, Owner is the fee title holder of that certain property designated as Lot 4.01 in Block 1801 on the tax map of the City of Paterson, Passaic County, New Jersey (the "Property"); and

WHEREAS, PVWC has an easement and certain associated rights over a certain portion of the Property as more particularly described in Deed Book V47, page 179 and Deed Book Q50, page 585 ("Easement Area"); and

WHEREAS, PVWC maintains potable water transmission mains and associated equipment within the Easement Area ("PVWC's Equipment"); and

WHEREAS, the Property has been, and continues to be, investigated and remediated by Owner in connection with Owner's compliance with the New Jersey Industrial Site Recovery Act ("ISRA") in New Jersey Department of Environmental Protection ("NJDEP") ECRA Case #s E85527 and E89455, NJDEP Preferred Identification #010563 (collectively, the "NJDEP Case"); and

WHEREAS, the existence of the PVWC Equipment has created accessibility issues that have effectively precluded Owner from investigating the existence or extent of soil contamination within the Easement Area; and

WHEREAS, Owner has addressed soil contamination on the Property, including any contamination that may exist in the Easement Area, by use of an engineering control (cap) and an institutional control (deed notice); and

WHEREAS, Owner has retained W&C, an environmental consulting firm ("Consultant"), pursuant to the terms of that certain master construction agreement contract effective April 16, 2019 ("Master Contract") to oversee Owner's obligation to comply with ISRA and a licensed site remediation professional ("LSRP") has determined that it is necessary to perform certain Environmental Work (as defined herein) in the Easement Area in accordance with the New Jersey Department of Environmental Protection Technical Regulations, N.J.A.C. 7:26E-1 et seq.; and

WHEREAS, the Environmental Work will require Owner to access/occupy a portion of the Easement Area; and

WHEREAS, the Environmental Work will also require Owner to obtain a permit from the NJDEP's Division of Land Use Regulation and the application form (attached hereto as Exhibit A) ("Permit Application") requires the signature of PVWC as the holder of an easement affecting the Property; and

WHEREAS, PVWC has conditioned its grant of access/occupation of the Easement Area and its execution of the Permit Application on Owner, PVWC, and W&C entering into this Agreement;

NOW THEREFORE, in consideration of the terms and conditions set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Owner, PVWC and W&C, intending to be legally bound, agree as follows:

1. Owner's consultant, LSRP, contractors and/or subcontractors (collectively, the "Owner's Representatives") will be accessing/occupying the Easement Area for the limited purpose of:
  - a. Installing a pipe across a portion of the Easement Area ("Pipeline") as part of Owner's groundwater remediation treatment system for the Property. The Pipeline is anticipated to be three inches in diameter and will be installed between three (3) and five (5) feet below the current grade. The location of the Pipeline is set forth on Exhibit A attached hereto.
  - b. Installing new groundwater monitoring wells ("New Wells") and periodically sampling the New Wells and the existing groundwater monitoring wells ("Existing Wells"). The locations of the New Wells and the Existing Wells are set forth on Exhibit B attached hereto.
2. As compensation to PVWC for its out of pocket administrative, legal, engineering and other costs and expenses incurred in connection with this Agreement, and the exercise by Owner's Representatives of the rights granted hereunder, Owner agrees to pay to PVWC the following fees:
  - a. Upon execution of this Agreement, a fee in the amount of \$30,000.00 to cover PVWC's costs in entering into this Agreement and overseeing the Environmental Work.
  - b. Within fifteen (15) days after delivery by PVWC to Owner of a reasonably satisfactory invoice therefor, Owner shall pay an additional fee in connection with each groundwater sampling event in the Easement Area in the amount of the PVWC's out-of-pocket cost in retaining an environmental consultant to observe the sampling event, which shall not exceed \$200.00 per entry notice.
  - c. Any fee not paid when due, shall bear interest at 18% per annum from the date due until such amount is paid. The obligation to pay any outstanding fees shall survive the expiration or earlier termination of this Agreement.
3. Within thirty (30) days of the Effective Date, PVWC shall physically mark out the location and depth of all of PVWC's transmission mains and associated equipment of PVWC's, if any, within the Easement Area ("PVWC's Equipment").
4. Prior to the installation of the Pipeline, Owner's Representative shall perform test pitting using vacuum extraction over that portion of the Easement Area where PVWC's mark out identifies the PVWC Equipment at a depth of two (2) feet lower than the proposed excavation to