

**RAHWAY VALLEY SEWERAGE AUTHORITY**

**Summary of Minutes**

**Regular Meeting held April 20, 2017**

- Communications  
One OPRA request was received.
  
  - Minutes  
March 16, 2017 Finance Committee and Regular Meetings.
  
  - Treasurers Reports  
No report.
  
  - Executive Director  
Sewer Connections and the status of various contracts.
  
  - Counsel  
Overview of legal matters.
  
  - Committee Reports  
Reports were given by the Engineering, Personnel and Finance Committees.
  
  - Unfinished Business  
None.
  
  - New Business  
Approved the following: Two Bond Resolutions; Purchase of a Fork Lift from Maintainco, Inc. in the amount of \$58,559.00; Award Contract #1722 for service on the Caterpillar Engines to Foley, Inc. in an amount of \$310,793.47; Award Contract #1724 to Direct Energy in an amount of \$40,567.80; Membership in the ESCNJ Co-op; TWA for the Township of Clark; TWA for the Township of Springfield; and personnel matters.
  
  - Bills & Claims
- |                           |      |                    |
|---------------------------|------|--------------------|
| OPERATING FUND            | 7-01 | \$946,430.84       |
| BUILDING & EQUIPMENT FUND | 7-02 | <u>\$25,936.02</u> |
| TOTAL OF ALL FUNDS:       |      | \$972,366.86       |

**RAHWAY VALLEY SEWERAGE AUTHORITY**

**Minutes of the Regular Meeting**

**April 20, 2017**

The Chairman, Robert LaCosta, called the meeting to order at 7:50 p.m. The Chairman asked that the recorder be turned on and that everyone silence their cell phones.

The Chairman read the statement on “Open Public Meetings Law”.

“In accordance with the requirements of the Open Public Meetings Act, State of New Jersey, adequate notice of this meeting has been provided by the inclusion of the date, time and place in a Notice forwarded to The Star Ledger, the Home News Tribune and the Clerk of each of the eleven member municipalities on February 14, 2017.

If any member of this body believes that this meeting is being held in violation of the provisions of the Open Public Meetings Act, please state your objection and the reasons for same at this time.”

.... Hearing no objections, we shall proceed with our regularly scheduled meeting.

**Roll Call**

The following members were present:

Michael Furci	for the Township of Springfield
Michael J. Gelin	for the Township of Woodbridge
Stephen D. Greet	for the Borough of Garwood
Loren Harms	for the Borough of Roselle Park
Robert B. LaCosta	for the Township of Scotch Plains
Louis C. Lambe	for the Township of Cranford
Richard J. LoForte	for the Borough of Kenilworth
Frank G. Mazzarella	for the Township of Clark
Robert Rachlin	for the City of Rahway
John J. Tomaine	for the Borough of Mountainside

The following members were absent:

No representative	for the Town of Westfield
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The following were also present:

James J. Meehan	Executive Director
Joanne Grimes	Board Secretary/Office Manager/QPA
Dennis Estis, Esq.	General Counsel, Greenbaum, Rowe, Smith
Howard Matteson, P.E.	Consulting Engineer, CDM Smith, Inc.
Dan Ward	Superintendent
John Buonocore	Chief Engineer
Anthony Gencarelli	Manager of Regulatory Compliance
Wayne Baker	Westfield Leader

**Remembrance of Allen Chin, Commissioner from Westfield**

Mr. LoForte asked for a moment of silence in remembrance of Allen Chin who died earlier this month. He stated that Allen was a true gentlemen and an asset to the Board and the Authority. He noted that whenever a new Commissioner joined the Board, Mr. Chin took the time to explain ongoing matters to them so that they would have a better understanding of the items being discussed and considered; he also initiated a training program that the Commissioners attended on a Saturday morning once a year. Mr. LoForte added that Mr. Chin will be dearly missed. The other Commissioners concurred with Mr. LoForte's comments.

Mr. Mazzarella noted that Mr. Chin was the longest standing Commissioner of the Authority, having served 32 years (2/1985 – 4/2017).

**Communications**

An OPRA request was received March 20, 2017 from Curtis Blanding of Smart Procure requesting accounts payable records and related information. The information was provided to them on March 20, 2017.

**Approval of Minutes**

Mr. Lambe made a motion, seconded by Mr. Mazzarella, to approve the minutes of the Finance Committee and Regular Meetings held March 16, 2017. The motion was approved by those present.

**Report of Treasurer**

No report.

Mr. Meehan stated that he invited Bob Beinfield of Hawkins, Delafield & Wood to attend tonight's meeting to discuss the Bonds that the Authority will be pursuing for these two projects (Item #1 and #2 on the agenda) with the Commissioners.

Mr. Beinfield addressed the Board and explained the two bonds that the Authority is seeking to issue. He discussed the current interest rate that will be applied to the bonds, including that portion which will be loaned to the Authority by the NJEIT at 0% interest.

After lengthy discussion, Mr. Beinfield thanked the Board for their time and left the meeting.

**Report of Executive Director****Sewer Treatment Endorsements**

The following is a list of Sewer Treatment Endorsements processed between 2/16/17 and 3/16/17. A copy of the log sheet with additional information related to these applications has been distributed for your reference.

**2017 Sewer Treatment Endorsement Permits 0-1999 gpd**

<i>RVSA Number</i>					<i>Date</i>	<i>Applicant's Name</i>	<i>Municipality</i>
2074	-	17	-	MT	03/17/17	Sergio Rolo	Mountainside
2075	-	17	-	WB	03/15/17	133 Colonia LLC / Dynamic Eng.	Woodbridge
2076	-	17	-	RW	03/17/17	Domenico P. Lettini / Lettini Bldrs.	Rahway
2077	-	17	-	RW	03/17/17	Domenico P. Lettini / Lettini Bldrs.	Rahway
2078	-	17	-	WF	03/20/17	Elshiekh Enterprises LLC	Westfield
2079	-	17	-	KW	03/20/17	Elshiekh Enterprises LLC	Kenilworth
2080	-	17	-	WF	03/20/17	Elshiekh Enterprises LLC	Westfield
2081	-	17	-	WF	03/20/17	Elshiekh Enterprises LLC	Westfield
2082	-	17	-	WF	03/23/17	Joe Faris / FBE Properties LLC	Westfield
2083	-	17	-	WF	03/23/17	Prominent Properties	Westfield
2084	-	17	-	CL	03/24/17	Ginesi Builders Inc.	Clark
2085	-	17	-	WB	03/27/17	Butter Construction & Engineers Inc.	Woodbridge
2086	-	17	-	WB	03/27/17	Butter Construction & Engineers Inc.	Woodbridge
2087	-	17	-	CL	03/29/17	Lettini Builders	Clark
2088	-	17	-	CL	03/30/17	Jack Scaturno	Clark
2089	-	17	-	WF	04/05/17	John P. Pinto/Red Door Construction	Westfield
2090	-	17	-	WF	04/06/17	512 Bradford Ave. LLC / Ferro Bldrs.	Westfield

Contract #173 – Codigestion/Liquid Waste Receiving Station

Mr. Meehan will provide the Commissioners with an update on this Contract and the related financing. A resolution is necessary for the financing of \$2 million in bonds through the NJEIT for this project. This was discussed at the Engineering Committee Meeting and action is on the agenda under New Business.

Contract #175 – Digester Cover Replacement and Relocation of the Waste Gas Burner

This contract is currently out to bid. Mr. Meehan will provide an update on this Contract and the related financing. A resolution is necessary for the financing of \$5.5 million in bonds through the NJEIT for this project. This was discussed at the Engineering Committee Meeting and action is on the agenda under New Business.

Contract #1709 – Laboratory Services / Bioassay

At the March meeting, the Board took action to rescind the award of this contract and gave Eurofins QC Labs 10 days to respond to the Authority's Notice. The Notice was sent by both email and certified letter. No response was received. The Authority will solicit new proposals for this work.

Contract #1721 – Security Equipment

Mr. Meehan will provide the Commissioners with an update related to the recent installation of the new video cameras and related equipment. This contract was paid for through a Grant. Mr. Meehan asked Ms. Teixeira, HR/Safety & Security Manager to provide an update. Ms. Teixeira

stated that the Authority installed 18 new exterior cameras, 4 new interior cameras for surveillance coverage, and made the plant's back gate operational with scan-in capabilities similar to the front gate.

Contract #1722 – New Forklift

A Notice to Bidders was advertised in the Star Ledger, mailed to several vendors, and was posted on the Authority's website. Two companies purchased bid packages and on March 2, 2017 one bid was received:

<u>Company</u>	<u>Amount</u>
Maintainco, Inc. South Plainfield, NJ	\$58,559.00
Modern Group Edison, NJ	No Bid

Joanne Grimes, QPA, reviewed the bid, found it to be in order and recommended award of Contract #1722 to Maintainco, Inc. in the amount of \$58,559.00. This matter was on the March agenda; however, the Commissioners requested that it be pulled and that the staff look into leasing the equipment. Subsequently, Dan Ward, Superintendent, prepared a memo regarding the quotes obtained for leasing the equipment. He also recommended that the new forklift be purchased instead of leased. A copy of the memo was distributed to the Commissioners. This was discussed at the Engineering Committee Meeting and action is on the agenda under New Business.

Contract #1723 – Services for the CAT Engines

A Notice to Bidders was advertised in the Star Ledger, mailed to several vendors, and was posted on the Authority's website. Seven companies purchased bid packages and on April 11, 2017 one bid was received:

<u>Company</u>	<u>Amount</u>
Foley Inc. Piscataway, NJ	\$310,793.47
Power Management, Div. of AEG Ventura, CA	No Bid
Warshauer Energy Little Egg Harbor, NJ	No Bid
GenServe Inc. Lodi, NJ	No Bid
NRG Princeton, NJ	No Bid

<u>Company</u>	<u>Amount</u>
Kraft Power Pompton Plains, NJ	No Bid
Ener-G East Rutherford, NJ	No Bid

Joanne Grimes, QPA, reviewed this bid, found the bid to be in order and recommends award to Foley Inc. This was discussed at the Engineering Committee Meeting and action is on the agenda under New Business.

Contract #1724 – Electric Curtailment Service Provider

A Notice to Bidders was advertised in the Star Ledger, mailed to several vendors, and was posted on the Authority’s website. Three companies purchased bid packages and on April 11, 2017 two bids were received:

<u>Company</u>	<u>Kw</u>	<u>Option #1–Amount</u>	<u>Option #2-Amount</u>
IP Keys Power Partners Eatontown, NJ	300	?	?
Direct Energy	1600	\$99,786.00	\$216,362.00
Iselin, NJ	300	\$18,709.80	\$40,567.80

Please note that the amounts reflected are estimates, and are paid to RVSA (as opposed to RVSA paying the vendor).

Joanne Grimes reviewed the bid documents submitted by both parties. The bid submitted by IP Keys, our current provider, was calculated incorrectly thus making it impossible to conclude what the total bid amount is. Additionally, they did not provide their Affirmation Action Certificate. Mrs. Grimes recommends rejecting IP Keys bid.

The second bid which was submitted by Direct Energy was found to be in order. As allowed in the bid documents, we are revising the number of kW for the award, and Direct Energy has agreed to the change. Based on the foregoing, Mrs. Grimes recommends awarding the contract to Direct Energy for a two year period. This was discussed at the Engineering Committee Meeting and action is on the agenda under New Business.

Cooperative Membership

At the recent Government Purchasing Association of NJ Conference in Atlantic City, Joanne Grimes obtained information regarding the Educational Services Commission of NJ (ESCNJ) Co-op. This co-op is run out of offices in Piscataway, NJ, and allows Counties, Municipalities, and Authorities to join this School Districts co-op. The co-op will allow us to take advantage of the aggressive bid pricing they receive from vendors when they go out to bid on various items. This co-op is free to join. Joanne Grimes, QPA, recommends joining the ESCNJ. This was discussed at the Engineering Committee Meeting and action is on the agenda under New Business.

TWA Clark

The Authority received a Treatment Works Application (TWA) from the Township of Clark on behalf of Guarriello & Dec Associates and George Sangiuliano for property located at 1132-1136 Westfield Avenue in Clark. The application is for the construction of an 8" sewer line from the existing sewer to service one apartment building with 7-two bedroom apartments (this building will replace a single family home which is being demolished) at this location. The anticipated flow is 1,575 gpd (.0016 mgd). The application was reviewed by John Buonocore, Chief Engineer, who found it to be in order and recommends endorsement. This was discussed at the Engineering Committee Meeting and action is on the agenda under New Business.

TWA Springfield

The Authority received a Treatment Works Application (TWA) from the Township of Springfield on behalf of EKA Associates and Major Subdivision for property located at 376 Baltusrol Way in Springfield. The application is for the construction of an 8" sewer main extending approximately 274 l.f. from the existing manhole. The sewer will service 3-four bedroom single family homes with an anticipated flow of 900 gpd (.0009 mgd). The application was reviewed by John Buonocore, Chief Engineer, who found it to be in order and recommends endorsement. This was discussed at the Engineering Committee Meeting and action is on the agenda under New Business.

Monthly Reports

The Operations, Engineering Bills & Claims, Litigation Cost, IPP reports, have been received and were distributed to the Commissioners.

Personnel MattersAgreement

An agreement was reached with a former employee regarding his termination. Mr. Meehan will discuss this further with the Commissioners. Formal action is required to approve the agreement. This was discussed at the Personnel Committee Meeting and action is on the agenda under New Business.

Succession Planning

Mr. Meehan to discuss succession planning related to several positions. The employees who will be affected by these changes were given Rice Notifications. These changes were discussed at the Personnel Committee Meeting and action is on the agenda under New Business.

New Positions

Mr. Meehan is seeking the Board's approval to create two (2) new Union positions. These positions are for: 1) a Janitor; and 2) a Chief Utility Worker. Job Descriptions have been prepared and the proposed salary of each was discussed with the Board at the Personnel Committee Meeting. Action is on the agenda under New Business.

New Salaried Position

Mr. Meehan is seeking the Board's approval for one (1) new salaried position for a Process Control Technician. A Job Description for this position has been prepared. Mr. Meehan discussed this position as well as the proposed salary with the Board at the Personnel Committee Meeting and action is on the agenda under New Business.

Policy Changes

- A. A proposed change to the existing "Comp Time" policy.
- B. A proposed change to the existing "Flex Time" policy.
- C. A proposed change to the existing "Personal Leave and Absenteeism for Severe Weather and Natural Disasters" Policy.

These were discussed at the Personnel Committee Meeting held April 13, 2017. The Board requested additional information with regard to the recommended policy changes and deferred action at this time.

Company Vehicles

Mr. Meehan is seeking the Board's approval to provide a company vehicle for a Supervisor. The vehicle would be one already in the Authority's possession. This was discussed at the Personnel Committee Meeting and action is on the agenda under New Business.

Report of General Counsel

The following report covers from January 19, 2017 through February 16, 2017:

1. General.
  - A. Flow Rights

I spoke with John Johnson, Counsel to Springfield, last week. I had asked Mr. Johnson to confirm that I would receive the engineer's report by March 31<sup>st</sup>. Mr. Johnson explained to me that the Township's Engineer was on vacation and upon his return he would find out the status of the report. I called him this past Tuesday, but I have not yet heard back from him. As it relates to the form ordinance I again offered to sit down with him, Jim Meehan and John Buonocore to discuss the ordinance and how it can be utilized. As it relates to the question raised by Commissioner Lambe last week, I will respond at the regular meeting.
  - B. Local Contracts Law/Open Public Meetings Act

I have done research regarding Rice Notices. Such notices must give the employee a general idea of the subject matter to be discussed.
  - C. QDI Monitoring and Pride Solvents Monitoring

QDI supposedly provided test readings to the Authority last year. Neither Jim Meehan nor Tony Gencarelli have seen these test results. We have spoken with QDI's attorney and we are waiting for a response from QDI. We have asked them

to tell us how it was sent to the Authority. As it relates to Pride, I will be sending out a final bill to their attorney. I have the money in my trust account.

2. Co-Generation Facility

I have spoken to our forensic accountant earlier this week and will report to the Commissioners at tonight’s meeting in closed session.

3. Personnel Committee

I reviewed Mr. Mazzarella’s letter.

4. Rahway – Union County Park

Rahway has taken a hard line as it relates to any obligation on its part in regard to the siphon. My office prepared a memo which went to the County Counsel on Tuesday. Jim Meehan, John Buonocore and I met with representatives of Union County earlier today. We will report the results in closed session.

**Committee Reports**

Chairman: Are there reports from any of the following Committees:

2/2017-2/2018 Committees

<b>Committee</b>	<b>Committee Chairman</b>	<b>2/2017-2/2018 Committee Members</b>		
Engineering	Louis Lambe	Michael Furci	Frank Mazzarella	Michael Gelin
Finance	Stephen Greet	Richard LoForte	Robert Rachlin	John Tomaine
Legal	Richard LoForte	Allen Chin	Frank Mazzarella	Loren Harms
Personnel	John Tomaine	Michael Furci	Louis Lambe	Richard LoForte
Insurance	Frank Mazzarella	Loren Harms	Robert Rachlin	John Tomaine
Nominating	Michael Furci	Allen Chin	Stephen Greet	
Public Relations	Robert Rachlin	Louis Lambe	Michael Gelin	
Security	Michael Gelin	Allen Chin	Stephen Greet	Loren Harms

Engineering Committee (Louis Lambe, Committee Chairman)

Mr. Lambe stated that an Engineering Committee Meeting was held April 13, 2017 at which time several items were discussed. Items that require action are on this evening’s agenda, under New Business.

Finance Committee (Stephen Greet, Committee Chairman)

Mr. Greet stated that a Finance Committee Meeting was held earlier this evening to review the Bills & Claims List. Action is on the agenda under Bills & Claims.

Legal Committee (Richard LoForte, Committee Chairman)

No report.

Personnel Committee (John Tomaine, Committee Chairman)

Mr. Tomaine stated that Personnel Committee Meetings were held April 13, 2017 and again earlier this evening, at which time several items were discussed. Items that require action are on this evening's agenda, under New Business.

Insurance Committee (Frank Mazzarella, Committee Chairman)

No report.

Public Relations Committee (Robert Rachlin, Committee Chairman)

No report.

Security Committee (Michael Gelin, Committee Chairman)

No report.

Unfinished Business

None.

New Business

The following Resolution #17-16 was offered by Mr. Greet, on motion of Mr. Greet, seconded by Mr. Mazzarella and approved by those present.

**RESOLUTION #17-16**

**RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$2,000,000 SUBORDINATE BONDS (RECEIVING STATION PROJECT) OF THE RAHWAY VALLEY SEWERAGE AUTHORITY AND PROVIDING FOR THEIR SALE TO THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST AND THE STATE OF NEW JERSEY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS IN CONNECTION THEREWITH.**

WHEREAS, the Rahway Valley Sewerage Authority (the "Authority"), a public body corporate and politic of the State of New Jersey (the "State"), has determined that there exists a need to acquire, construct, renovate, install or refinance the Project (the "Project"), as described herein and as further defined in each of that certain Loan Agreement (the "Trust Loan Agreement") to be entered into by and between the Authority and the New Jersey Environmental Infrastructure Trust (the "Trust") and that certain Loan Agreement (the "Fund Loan Agreement" and, together with the Trust Loan Agreement, the "Loan Agreements") to be entered into by and between the Authority and the State acting by and through the New Jersey Department of Environmental Protection all pursuant to the State Fiscal Year 2018 New Jersey Environmental Infrastructure Trust Financing Program or other similar program (the "Program"); and

WHEREAS, the Authority has determined to finance or refinance the acquisition, construction, renovation or installation of the Project with the proceeds of a loan to be

made by each of the Trust (the “Trust Loan”) and the State (the “Fund Loan” and, together with the Trust Loan, the “Loans”) pursuant to the Trust Loan Agreement and the Fund Loan Agreement, respectively; and

WHEREAS, to evidence the Loans, each of the Trust and the State require the Authority to authorize, execute, attest and deliver the Authority’s Subordinate Bond (Receiving Station Project) (Series 2018C) to the State (the “State Loan Bond”) and Subordinate Bond (Receiving Station Project) (Series 2018D) to the Trust (the “Trust Loan Bond” and, together with the State Loan Bond, the “Authority Subordinate Bonds”) pursuant to the terms of the Sewerage Authorities Law of the State, constituting Chapter 14A of Title 40 of the Revised Statutes of the State (the “Sewerage Authorities Law”), other applicable law and the Loan Agreements; and

WHEREAS, the Trust and the State have expressed their desire to close in escrow the making of one or more of the Loans, the issuance of one or more of the Authority Subordinate Bonds and the execution and delivery of one or more of the Loan Agreements, all pursuant to the terms of an Escrow Agreement (the “Escrow Agreement”) to be entered into by and among the Trust, the State, the escrow agent named therein and the Authority; and

WHEREAS, N.J.S.A. §40:14A-12 of the Sewerage Authorities Law allows for the sale of the Trust Loan Bond and the Fund Loan Bond to the Trust and the State, respectively, without any public offering, and N.J.S.A. §58:11B-9(a) allows for the sale of the Trust Loan Bond to the Trust without any public offering, all under the terms and conditions set forth in the following resolution; and

WHEREAS, the Authority has heretofore issued revenue bonds pursuant to a resolution of the Authority adopted on March 21, 2002, entitled: “Resolution Authorizing the Issuance of Sewer Revenue Bonds, Notes and Other Obligations of the Rahway Valley Sewerage Authority”, as amended and supplemented (the “General Bond Resolution”), whereunder, all the Revenues of the Authority, as defined and provided for therein, have been pledged to the payment of the principal of, redemption price, if any, and interest on any revenue bonds heretofore or hereafter issued by the Authority under the General Bond Resolution (the “Revenue Bonds”), to the extent and in the manner provided in the General Bond Resolution; and

WHEREAS, the provisions of Section 614 of the General Bond Resolution authorize the Authority to issue subordinate bonds payable out of the General Fund created and established by the General Bond Resolution, all in accordance with and upon the terms and conditions set forth in the General Bond Resolution and, in particular, Section 510(2) thereof and provided that the purpose financed (i.e., the Project) will not cause a reduction in Revenues to be thereafter derived by or for the account of the Authority; and

WHEREAS, the Project will not cause a reduction in Revenues to be thereafter derived by or for the account of the Authority; and

WHEREAS, bonds, notes and other evidences of indebtedness of the Authority, including the Authority Subordinate Bonds, benefit from the provisions of the Authority's existing 1951 Service Agreement, as amended in 1995, between the Authority and the Boroughs of Garwood, Kenilworth, Mountainside and Roselle Park, the City of Rahway, the Town of Westfield and the Townships of Clark, Cranford, Scotch Plains, Springfield and Woodbridge, New Jersey; and

WHEREAS, any and all bonds and other obligations of the Authority, including the Authority Subordinate Bonds, benefit from the provisions of the Service Agreement (as defined in the General Bond Resolution); and

WHEREAS, the Authority is desirous of authorizing the issuance of the Authority Subordinate Bonds as subordinate bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE RAHWAY VALLEY SEWERAGE AUTHORITY, and the Members or Commissioners thereof, as follows:

**Section 1.** Determination to Undertake the Project. The Authority does hereby determine to undertake the Project which shall consist of the improvement of the wastewater treatment system of the Authority by the construction of a receiving station for receipt of an engineered bioslurry and subsequent feeding into the existing anaerobic sludge digesters, including also the construction of a new truck off-loading station, together with all work and materials necessary therefor or incidental thereto, equipment, apparatus, structures and appurtenances and all personal property necessary or desirable for the efficient construction and operation of such facilities, all as shown on and in accordance with the plans and specifications therefor on file or to be filed in the office of the Authority, as such plans and specifications may be amended or modified from time to time.

**Section 2.** Estimated Cost of the Project. The estimated maximum total cost of the Project, as defined in the Sewerage Authorities Law, is \$2,000,000.

**Section 3.** Authorization of Authority Subordinate Bonds. In accordance with Section 11 of the Sewerage Authorities Law and subject to and pursuant to the provisions of this resolution, bonds of the Authority (herein referred to as the Authority Subordinate Bonds) are hereby authorized to be issued in the principal amount not to exceed \$2,000,000 for the purpose of raising funds to pay the costs of the Project, including the funding of any required or desirable reserves, capitalized interest and costs of issuance.

**Section 4.** Payment of Authority Subordinate Bonds. The Authority does hereby determine that the Authority Subordinate Bonds shall be and constitute subordinate bonds, and shall be payable from amounts in the General Fund established and created by the General Bond Resolution in the manner and upon the terms and conditions set forth in the General Bond Resolution and this resolution.

**Section 5.** Award of Authority Subordinate Bonds. In accordance with N.J.S.A. §40:14A-12 of the Sewerage Authorities Law and N.J.S.A. §58:11B-9(a),

the Authority hereby sells and awards its (a) Trust Loan Bond to the Trust in accordance with the provisions of this resolution and (b) Fund Loan Bond to the State in accordance with the provisions of this resolution.

**Section 6.** Basic Terms of Authority Subordinate Bonds; Delegation of Power to Make Certain Determinations. The Chairman or Vice Chairman of the Authority (the “Chairman”) or the Executive Director of the Authority is hereby authorized to determine, in accordance with the Sewerage Authorities Law and pursuant to the terms and conditions established by the Trust and the State under the Loan Agreements and the terms and conditions of this resolution, the following items with respect to the Trust Loan Bond and the Fund Loan Bond:

- (a) The aggregate principal amount of the Trust Loan Bond to be issued and the aggregate principal amount of the Fund Loan Bond to be issued, which amounts in the aggregate shall not exceed \$2,000,000;
- (b) The maturity or maturities and annual principal installments of the Authority Subordinate Bonds, which maturity or maturities shall not exceed thirty (30) years;
- (c) The date or dates of the Authority Subordinate Bonds;
- (d) The interest rates of the Authority Subordinate Bonds, provided that the effective cost of the Trust Loan Bond does not exceed seven per centum (7%) and that the interest rate on the Fund Loan Bond is zero per centum (0%);
- (e) The purchase price for the Authority Subordinate Bonds;
- (f) The terms and conditions under which the Authority Subordinate Bonds shall be subject to redemption prior to their stated maturities; and
- (g) Such other matters with respect to the Authority Subordinate Bonds as may be necessary, desirable or convenient in connection with the sale, issuance and delivery thereof, including (1) adjusting the title of the Authority Subordinate Bonds to reflect the issuance thereof in a calendar year other than 2018, (2) issuing each Authority Subordinate Bond in the form of multiple subordinate bonds from time to time if the Project is funded in more than one installment by the Program and (3) combining the issuance of the Authority Subordinate Bonds with the issuance of other subordinate bonds of the Authority authorized or to be authorized to be issued for other purposes.

**Section 7.** Determinations Conclusive. Any determination made by the Chairman or the Executive Director pursuant to the terms of this resolution shall be conclusively evidenced by the execution and attestation of the Authority Subordinate Bonds by the parties authorized under Section 8(c) of this resolution.

**Section 8.** Further Terms of Authority Subordinate Bonds. The Authority hereby determines that certain terms of the Authority Subordinate Bonds shall be as follows:

- (a) The Fund Loan Bond shall be issued in a single denomination and shall be numbered RC-1, or as may otherwise be determined by the Chairman or the Executive Director. The Trust Loan Bond shall be issued in a single denomination and shall be numbered RD-1, or as may otherwise be determined by the Chairman or the Executive Director;
- (b) The Authority Subordinate Bonds shall be issued in fully registered form (convertible to bearer as therein provided) and shall (unless converted to bearer) be payable to the registered owners thereof as to both principal and interest in lawful money of the United States of America;
- (c) The Authority Subordinate Bonds shall be executed by the manual or facsimile signature of the Chairman, and the Secretary or the Assistant Secretary of the Authority (the "Secretary"), by manual signature, shall attest to the execution of the Authority Subordinate Bonds and shall affix, imprint, engrave or reproduce thereon the corporate seal of the Authority; and
- (d) In order to distinguish the Authority Subordinate Bonds from other bonds of the Authority, the Authority Subordinate Bonds shall have such letters and/or numbers incorporated in their titles as shall be determined by the Chairman or the Executive Director.

**Section 9.** Forms of Authority Subordinate Bonds. The Fund Loan Bond and the Trust Loan Bond shall be substantially in the forms set forth in Exhibit A and Exhibit B hereto, respectively, with such changes, insertions and omissions as may be approved by the Chairman, such approval to be evidenced by the signature of the Chairman on the Authority Subordinate Bonds.

**Section 10.** Authorized Parties. The law firm of Hawkins Delafield & Wood LLP, bond counsel to the Authority, is hereby authorized to arrange for the printing of the Authority Subordinate Bonds, which law firm may authorize McCarter & English, LLP, bond counsel to the Trust and the State for the Program, to arrange for same. The Authority auditor and financial advisor are hereby authorized, if necessary, to prepare the financial information, if any, necessary in connection with the issuance of the Authority Subordinate Bonds. The Chairman, the Executive Director, the Secretary-

Treasurer (collectively, the “Authorized Authority Officers”), and the Manager of Regulatory Compliance are hereby severally authorized to execute any certificates necessary or desirable in connection with the financial and other information.

**Section 11.** Report to the Authority. The Authorized Authority Officers are hereby directed to report in writing to the Authority at the meeting of the Authority next following the closing with respect to the Authority Subordinate Bonds as to the terms of the Authority Subordinate Bonds authorized to be determined by the Authorized Authority Officers pursuant to and in accordance with the provisions of this resolution.

**Section 12.** Delivery of Authority Subordinate Bonds. Each Authorized Authority Officer is hereby authorized to execute any certificate or document necessary or desirable in connection with the sale of the Authority Subordinate Bonds and is hereby further authorized to deliver same to the Trust and the State upon delivery of the Authority Subordinate Bonds and the receipt of payment therefor in accordance with the Loan Agreements.

**Section 13.** Execution of Agreements. The Trust Loan Agreement, the Fund Loan Agreement and the Escrow Agreement (collectively, the “Financing Documents”) are hereby authorized to be manually executed and delivered on behalf of the Authority by the Chairman in substantially the forms required and traditionally used by the Trust and the State (which forms are available from the Trust and the State), with such changes as the Chairman, in his or her sole discretion, after consultation with counsel, bond counsel and any other advisors to the Authority (the “Authority Consultants”) and after further consultation with the Trust, the State and their representatives, agents, counsel and advisors (collectively, the “Program Consultants”) and, together with the Authority Consultants, the “Consultants”), shall determine, such determination to be conclusively evidenced by the execution of each such Financing Document by the Chairman. The Secretary is hereby authorized, if necessary, to attest by manual signature to the execution of the Financing Documents by the Chairman and to affix, imprint, engrave or reproduce the corporate seal of the Authority to such Financing Documents.

**Section 14.** Authorized Actions. The Authorized Authority Officers are hereby further severally authorized to (i) manually execute and deliver and the Secretary is hereby further authorized to attest by manual signature to such execution and to affix, imprint, engrave or reproduce the corporate seal of the Authority to any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Authority Officers or the Secretary, as applicable, in their respective sole discretion, after consultation with the Consultants, to be executed in connection with the execution and delivery of the Financing Documents and the Authority Subordinate Bonds and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such document, instrument or closing certificate by the party authorized under this resolution to execute such document, instrument or closing certificate and (ii) perform such other actions as the Authorized

Authority Officers deem necessary, desirable or convenient in relation to the execution and delivery thereof.

**Section 15. Subordinate Nature of Authority Subordinate Bonds.**

(A) In the event of any insolvency or bankruptcy proceedings, or any receivership, liquidation, reorganization or other similar proceedings in connection therewith, relative to the Authority or to its property, or in the event of any proceedings for voluntary liquidation, dissolution or other winding up of the Authority, whether or not involving insolvency or bankruptcy, the holders of all Revenue Bonds shall be entitled to receive payment in full of all payments on such Revenue Bonds before the holders of all outstanding Authority Subordinate Bonds are entitled to receive any payment from the Revenues (as defined in the General Bond Resolution).

(B) In the event that any of the Authority Subordinate Bonds are declared due and payable before their expressed maturity because of the occurrence of a default (under circumstances when the provisions of (A) above shall not be applicable), the holders of all Revenue Bonds at such time outstanding shall be entitled to receive payment in full of all payments then due on such Revenue Bonds before the holders of such Authority Subordinate Bonds are entitled to receive any accelerated payment from the Revenues of principal or interest upon such Authority Subordinate Bonds. Any event of default with respect to the Authority Subordinate Bonds shall not in itself create the right to declare an event of default with respect to the Revenue Bonds.

(C) If any event of default with respect to the Revenue Bonds shall have occurred and be continuing (under circumstances when the provisions of (A) above shall not be applicable), the holders of all Revenue Bonds then outstanding shall be entitled to receive payment in full of all payments on all such Revenue Bonds before the holders of the Authority Subordinate Bonds are entitled to receive any accelerated payment from the Revenues of principal or interest on such Authority Subordinate Bonds.

(D) No holder of any Revenue Bonds shall be prejudiced in such holder's right to enforce subordination of the Authority Subordinate Bonds by any act or failure to act on the part of the Authority.

(E) The provisions of (A), (B), (C) and (D) above are solely for the purpose of defining the relative rights of the holders of the Revenue Bonds on the one hand and the holders of the Authority Subordinate Bonds on the other hand, and nothing herein shall impair, as between the Authority and the holders of the Authority Subordinate Bonds, the duty of the Authority, which is unconditional and absolute, to pay to the holders of the Authority Subordinate Bonds, the principal thereon and premium, if any, and interest thereon in accordance with their terms, nor shall anything herein prevent the holders of the Authority Subordinate Bonds from exercising all remedies otherwise permitted by applicable law upon default under the General Bond Resolution, subject to the rights under (A), (B), (C) and (D) above of the holders of the Revenue Bonds to receive cash, property or securities otherwise payable or deliverable to the holders of the Authority Subordinate Bonds.

**Section 16.** Withdrawals from the General Fund. In accordance with Section 510 of the General Bond Resolution and provided that the amount in every account or fund created and established by the General Bond Resolution, including the Operating Fund, Debt Service Fund, the Debt Service Reserve Fund and the Capital Replacement Fund, equals or exceeds the amount required to be therein and that the Authority is not in default in the payment of the principal of or interest on or redemption price of any Revenue Bonds or in the payment of any costs which are due and payable to the issuer of any Financing Facility or Liquidity Facility (each as defined in the General Bond Resolution) pursuant to the terms of any agreement between the Authority of such issuer, and all administrative costs of the Authority, including fees and expenses of any Fiduciary (as defined in the General Bond Resolution), have been paid, the trustee under the General Bond Resolution is hereby authorized and directed to withdraw from the General Fund from time to time amounts necessary to satisfy the debt service payments with respect to the Authority Subordinate Bonds.

**Section 17.** Covenant to Pay Authority Subordinate Bonds. The Authority hereby particularly covenants and agrees with the holders of the Authority Subordinate Bonds and makes provisions which shall be a part of its contract with such holders, that the Authority will pay or cause to be paid the principal of every Authority Subordinate Bond and the interest thereon at the date and place and in the manner mentioned in such Authority Subordinate Bond according to the true intent and meaning thereof and will carry out and perform all of the acts and things required of it by the terms of this resolution.

**Section 18.** Resolution Constitutes Contract. In consideration of the purchase and acceptance of the Authority Subordinate Bonds by those who shall hold the same from time to time, the provisions of this resolution shall be deemed to be and shall constitute contracts between the Authority and the holders from time to time of the Authority Subordinate Bonds.

**Section 19.** No Recourse. No recourse shall be had for the payment of the principal or redemption price, if any, of or the interest on the Authority Subordinate Bonds or for any claim based thereon or on this resolution against any member or other officer of the Authority or any person executing the Authority Subordinate Bonds. The Authority Subordinate Bonds are not and shall not be in any way a debt or liability of the State or of any county or municipality, and do not and shall not create or constitute any indebtedness, liability or obligation of the State or of any county or municipality, either legal, moral or otherwise.

**Section 20.** Authorization for Resolution. This resolution is adopted by virtue of the Sewerage Authorities Law and pursuant to its provisions, and the Authority has ascertained and hereby determines that adoption of this resolution is necessary to carry out the powers, purposes and duties expressly provided in the Sewerage Authorities Law and that each and every matter and thing as to which provision is made in this resolution is necessary in order to carry out and effectuate the purposes of the Authority in accordance with the Sewerage Authorities Law.

**Section 21. Filing of Resolution.** The Secretary is hereby authorized and directed to cause copies of this resolution to be filed for public inspection in the following places: in the offices of the Borough Clerks of the Boroughs of Garwood, Kenilworth, Mountainside and Roselle Park in the Municipal Building of said Boroughs, in the office of the City Clerk of the City of Rahway, in the Municipal Building of said City, in the office of the Municipal Clerk of the Town of Westfield, in the Municipal Building of said Town, in the offices of the Township Clerks of the Townships of Clark, Cranford, Scotch Plains, Springfield and Woodbridge, in the Municipal Building of said Townships, and in the office of the Authority, 1050 East Hazelwood Avenue, Rahway, New Jersey.

**Section 22. Publication of Notice.** The Secretary is hereby authorized and directed to cause to be published, after completion of filing of copies of this resolution as directed in the preceding Section, in the “*Star Ledger*”, a legally qualified public newspaper circulating in the district of the Authority, a notice in substantially the form attached as Exhibit C hereto and by this reference incorporated as if set forth in full herein.

**Section 23. Multiple Document Sets.** Notwithstanding any other provision of this resolution to the contrary, if in connection with the participation of the Authority in the Program, the State and the Trust require that the Authority execute more than one set of documents, the provisions of this resolution shall be deemed to apply to the Authority Subordinate Bonds and the Financing Documents related to each set of documents; provided, however, that in no event may the aggregate principal amount of all Authority Subordinate Bonds issued and delivered pursuant to the provisions of this resolution be in excess of the amount authorized in Section 3 hereof.

**Section 24. Interim Financing.** In anticipation of the issuance of the Authority Subordinate Bonds, the Authority hereby authorizes, if necessary or desirable, the issuance, sale and award of a note (the “Subordinate Note”) pursuant to the Trust’s Construction Loan Program. The Subordinate Note shall be substantially in the form required and traditionally used by the Trust (which form is available from the Trust). The execution and delivery of the Subordinate Note shall be in the same manner as herein prescribed with respect to the Authority Subordinate Bonds. An Authorized Authority Officer is hereby authorized to determine, pursuant to the terms and conditions established by the Trust under its Construction Loan Program and the terms and conditions of this resolution, the following items with respect to the Subordinate Note: (a) the aggregate principal amount of the Subordinate Note to be issued, which amount shall not exceed \$2,000,000; (b) the maturity of the Subordinate Note, which shall be no later than three (3) years after the date of issuance thereof or such longer period of time as may be permitted under the rules of the Trust’s Construction Loan Program; (c) the date of the Subordinate Note; (d) the interest rate or rates of the Subordinate Note (including different interest rates applicable to different drawdowns on the Subordinate Note), which shall not exceed three percent (3%) per annum; (e) the purchase price for the Subordinate Note; and (f) such other matters with respect to the Subordinate Note as may be necessary, desirable or convenient in connection with the sale, issuance and

delivery thereof, without limitation (i) combining the issuance of the Subordinate Note with the issuance of other subordinate notes of the Authority authorized or to be authorized to be issued for other purposes and (ii) issuing the Subordinate Note in the form of multiple subordinate notes from time to time if the Project is funded in more than one installment by the Program. The Authorized Authority Officers are hereby further severally authorized to manually execute and deliver and the Secretary is hereby further authorized to attest by manual signature to such execution and to affix, imprint, engrave or reproduce the corporate seal of the Authority to any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Authority Officers or the Secretary, as applicable, in their respective sole discretion, after consultation with the Consultants, to be executed in connection with the execution and delivery of the Subordinate Note and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such document, instrument or closing certificate by the party authorized under this resolution to execute such document, instrument or closing certificate.

**Section 25. Capitalized Terms.** All capitalized words and terms used but not defined in this resolution shall have the meanings ascribed to such words and terms, respectively, in the preambles to this resolution.

**Section 26. Effective Date.** This resolution shall take effect immediately.

The following Resolution #17-17 was offered by Mr. Greet, on motion of Mr. Greet, seconded by Mr. Mazzarella and approved by those present.

**RESOLUTION #17-17**

**RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$5,500,000 SUBORDINATE BONDS (DIGESTER COVER AND GAS BURNER PROJECT) OF THE RAHWAY VALLEY SEWERAGE AUTHORITY AND PROVIDING FOR THEIR SALE TO THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST AND THE STATE OF NEW JERSEY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS IN CONNECTION THEREWITH.**

WHEREAS, the Rahway Valley Sewerage Authority (the "Authority"), a public body corporate and politic of the State of New Jersey (the "State"), has determined that there exists a need to acquire, construct, renovate, install or refinance the Project (the "Project"), as described herein and as further defined in each of that certain Loan Agreement (the "Trust Loan Agreement") to be entered into by and between the Authority and the New Jersey Environmental Infrastructure Trust (the "Trust") and that certain Loan Agreement (the "Fund Loan Agreement" and, together with the Trust Loan Agreement, the "Loan Agreements") to be entered into by and between the Authority and the State acting by and through the New Jersey Department of Environmental Protection all pursuant to the State Fiscal Year 2018 New Jersey Environmental Infrastructure Trust Financing Program or other similar program (the "Program"); and

WHEREAS, the Authority has determined to finance or refinance the acquisition, construction, renovation or installation of the Project with the proceeds of a loan to be made by each of the Trust (the "Trust Loan") and the State (the "Fund Loan" and, together with the Trust Loan, the "Loans") pursuant to the Trust Loan Agreement and the Fund Loan Agreement, respectively; and

WHEREAS, to evidence the Loans, each of the Trust and the State require the Authority to authorize, execute, attest and deliver the Authority's Subordinate Bond (Digester Cover and Gas Burner Project) (Series 2018A) to the State (the "State Loan Bond") and Subordinate Bond (Digester Cover and Gas Burner Project) (Series 2018B) to the Trust (the "Trust Loan Bond" and, together with the State Loan Bond, the "Authority Subordinate Bonds") pursuant to the terms of the Sewerage Authorities Law of the State, constituting Chapter 14A of Title 40 of the Revised Statutes of the State (the "Sewerage Authorities Law"), other applicable law and the Loan Agreements; and

WHEREAS, the Trust and the State have expressed their desire to close in escrow the making of one or more of the Loans, the issuance of one or more of the Authority Subordinate Bonds and the execution and delivery of one or more of the Loan Agreements, all pursuant to the terms of an Escrow Agreement (the "Escrow Agreement") to be entered into by and among the Trust, the State, the escrow agent named therein and the Authority; and

WHEREAS, N.J.S.A. §40:14A-12 of the Sewerage Authorities Law allows for the sale of the Trust Loan Bond and the Fund Loan Bond to the Trust and the State, respectively, without any public offering, and N.J.S.A. §58:11B-9(a) allows for the sale of the Trust Loan Bond to the Trust without any public offering, all under the terms and conditions set forth in the following resolution; and

WHEREAS, the Authority has heretofore issued revenue bonds pursuant to a resolution of the Authority adopted on March 21, 2002, entitled: "Resolution Authorizing the Issuance of Sewer Revenue Bonds, Notes and Other Obligations of the Rahway Valley Sewerage Authority", as amended and supplemented (the "General Bond Resolution"), whereunder, all the Revenues of the Authority, as defined and provided for therein, have been pledged to the payment of the principal of, redemption price, if any, and interest on any revenue bonds heretofore or hereafter issued by the Authority under the General Bond Resolution (the "Revenue Bonds"), to the extent and in the manner provided in the General Bond Resolution; and

WHEREAS, the provisions of Section 614 of the General Bond Resolution authorize the Authority to issue subordinate bonds payable out of the General Fund created and established by the General Bond Resolution, all in accordance with and upon the terms and conditions set forth in the General Bond Resolution and, in particular, Section 510(2) thereof and provided that the purpose financed (i.e., the Project) will not cause a reduction in Revenues to be thereafter derived by or for the account of the Authority; and

WHEREAS, the Project will not cause a reduction in Revenues to be thereafter derived by or for the account of the Authority; and

WHEREAS, bonds, notes and other evidences of indebtedness of the Authority, including the Authority Subordinate Bonds, benefit from the provisions of the Authority's existing 1951 Service Agreement, as amended in 1995, between the Authority and the Boroughs of Garwood, Kenilworth, Mountainside and Roselle Park, the City of Rahway, the Town of Westfield and the Townships of Clark, Cranford, Scotch Plains, Springfield and Woodbridge, New Jersey; and

WHEREAS, any and all bonds and other obligations of the Authority, including the Authority Subordinate Bonds, benefit from the provisions of the Service Agreement (as defined in the General Bond Resolution); and

WHEREAS, the Authority is desirous of authorizing the issuance of the Authority Subordinate Bonds as subordinate bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE RAHWAY VALLEY SEWERAGE AUTHORITY, and the Members or Commissioners thereof, AS FOLLOWS:

**Section 1.** Determination to Undertake the Project. The Authority does hereby determine to undertake the Project which shall consist of the improvement of the wastewater treatment system of the Authority including the upgrade of the digester tank covers and the upgrade of the gas flares, together with all work and materials necessary therefor or incidental thereto, equipment, apparatus, structures and appurtenances and all personal property necessary or desirable for the efficient construction and operation of such facilities, all as shown on and in accordance with the plans and specifications therefor on file or to be filed in the office of the Authority, as such plans and specifications may be amended or modified from time to time.

**Section 2.** Estimated Cost of the Project. The estimated maximum total cost of the Project, as defined in the Sewerage Authorities Law, is \$5,500,000.

**Section 3.** Authorization of Authority Subordinate Bonds. In accordance with Section 11 of the Sewerage Authorities Law and subject to and pursuant to the provisions of this resolution, bonds of the Authority (herein referred to as the Authority Subordinate Bonds) are hereby authorized to be issued in the principal amount not to exceed \$5,500,000 for the purpose of raising funds to pay the costs of the Project, including the funding of any required or desirable reserves, capitalized interest and costs of issuance.

**Section 4.** Payment of Authority Subordinate Bonds. The Authority does hereby determine that the Authority Subordinate Bonds shall be and constitute subordinate bonds, and shall be payable from amounts in the General Fund established and created by the General Bond Resolution in the manner and upon the terms and conditions set forth in the General Bond Resolution and this resolution.

**Section 5.** Award of Authority Subordinate Bonds. In accordance with N.J.S.A. §40:14A-12 of the Sewerage Authorities Law and N.J.S.A. §58:11B-9(a), the Authority hereby sells and awards its (a) Trust Loan Bond to the Trust in accordance with the provisions of this resolution and (b) Fund Loan Bond to the State in accordance with the provisions of this resolution.

**Section 6.** Basic Terms of Authority Subordinate Bonds; Delegation of Power to Make Certain Determinations. The Chairman or Vice Chairman of the Authority (the “Chairman”) or the Executive Director of the Authority is hereby authorized to determine, in accordance with the Sewerage Authorities Law and pursuant to the terms and conditions established by the Trust and the State under the Loan Agreements and the terms and conditions of this resolution, the following items with respect to the Trust Loan Bond and the Fund Loan Bond:

- (a) The aggregate principal amount of the Trust Loan Bond to be issued and the aggregate principal amount of the Fund Loan Bond to be issued, which amounts in the aggregate shall not exceed \$5,500,000;
- (b) The maturity or maturities and annual principal installments of the Authority Subordinate Bonds, which maturity or maturities shall not exceed thirty (30) years;
- (c) The date or dates of the Authority Subordinate Bonds;
- (d) The interest rates of the Authority Subordinate Bonds, provided that the effective cost of the Trust Loan Bond does not exceed seven per centum (7%) and that the interest rate on the Fund Loan Bond is zero per centum (0%);
- (e) The purchase price for the Authority Subordinate Bonds;
- (f) The terms and conditions under which the Authority Subordinate Bonds shall be subject to redemption prior to their stated maturities; and
- (g) Such other matters with respect to the Authority Subordinate Bonds as may be necessary, desirable or convenient in connection with the sale, issuance and delivery thereof, including (1) adjusting the title of the Authority Subordinate Bonds to reflect the issuance thereof in a calendar year other than 2018, (2) issuing each Authority Subordinate Bond in the form of multiple subordinate bonds from time to time if the Project is funded in more than one installment by the Program and (3) combining the issuance of the Authority Subordinate Bonds with the issuance of other subordinate bonds of the Authority authorized or to be authorized to be issued for other purposes.

**Section 7.** Determinations Conclusive. Any determination made by the Chairman or the Executive Director pursuant to the terms of this resolution shall be conclusively evidenced by the execution and attestation of the Authority Subordinate Bonds by the parties authorized under Section 8(c) of this resolution.

**Section 8.** Further Terms of Authority Subordinate Bonds. The Authority hereby determines that certain terms of the Authority Subordinate Bonds shall be as follows:

- (a) The Fund Loan Bond shall be issued in a single denomination and shall be numbered RA-1, or as may otherwise be determined by the Chairman or the Executive Director. The Trust Loan Bond shall be issued in a single denomination and shall be numbered RB-1, or as may otherwise be determined by the Chairman or the Executive Director;
- (b) The Authority Subordinate Bonds shall be issued in fully registered form (convertible to bearer as therein provided) and shall (unless converted to bearer) be payable to the registered owners thereof as to both principal and interest in lawful money of the United States of America;
- (c) The Authority Subordinate Bonds shall be executed by the manual or facsimile signature of the Chairman, and the Secretary or the Assistant Secretary of the Authority (the "Secretary"), by manual signature, shall attest to the execution of the Authority Subordinate Bonds and shall affix, imprint, engrave or reproduce thereon the corporate seal of the Authority; and
- (d) In order to distinguish the Authority Subordinate Bonds from other bonds of the Authority, the Authority Subordinate Bonds shall have such letters and/or numbers incorporated in their titles as shall be determined by the Chairman or the Executive Director.

**Section 9.** Forms of Authority Subordinate Bonds. The Fund Loan Bond and the Trust Loan Bond shall be substantially in the forms set forth in Exhibit A and Exhibit B hereto, respectively, with such changes, insertions and omissions as may be approved by the Chairman, such approval to be evidenced by the signature of the Chairman on the Authority Subordinate Bonds.

**Section 10.** Authorized Parties. The law firm of Hawkins Delafield & Wood LLP, bond counsel to the Authority, is hereby authorized to arrange for the printing of the Authority Subordinate Bonds, which law firm may authorize McCarter & English, LLP, bond counsel to the Trust and the State for the Program, to arrange for same. The Authority auditor and financial advisor are hereby authorized, if necessary, to prepare the financial information, if any, necessary in connection with the issuance of the Authority Subordinate Bonds. The Chairman, the Executive Director, the Secretary-

Treasurer (collectively, the “Authorized Authority Officers”), and the Manager of Regulatory Compliance are hereby severally authorized to execute any certificates necessary or desirable in connection with the financial and other information.

**Section 11.** Report to the Authority. The Authorized Authority Officers are hereby directed to report in writing to the Authority at the meeting of the Authority next following the closing with respect to the Authority Subordinate Bonds as to the terms of the Authority Subordinate Bonds authorized to be determined by the Authorized Authority Officers pursuant to and in accordance with the provisions of this resolution.

**Section 12.** Delivery of Authority Subordinate Bonds. Each Authorized Authority Officer is hereby authorized to execute any certificate or document necessary or desirable in connection with the sale of the Authority Subordinate Bonds and is hereby further authorized to deliver same to the Trust and the State upon delivery of the Authority Subordinate Bonds and the receipt of payment therefor in accordance with the Loan Agreements.

**Section 13.** Execution of Agreements. The Trust Loan Agreement, the Fund Loan Agreement and the Escrow Agreement (collectively, the “Financing Documents”) are hereby authorized to be manually executed and delivered on behalf of the Authority by the Chairman in substantially the forms required and traditionally used by the Trust and the State (which forms are available from the Trust and the State), with such changes as the Chairman, in his or her sole discretion, after consultation with counsel, bond counsel and any other advisors to the Authority (the “Authority Consultants”) and after further consultation with the Trust, the State and their representatives, agents, counsel and advisors (collectively, the “Program Consultants”) and, together with the Authority Consultants, the “Consultants”), shall determine, such determination to be conclusively evidenced by the execution of each such Financing Document by the Chairman. The Secretary is hereby authorized, if necessary, to attest by manual signature to the execution of the Financing Documents by the Chairman and to affix, imprint, engrave or reproduce the corporate seal of the Authority to such Financing Documents.

**Section 14.** Authorized Actions. The Authorized Authority Officers are hereby further severally authorized to (i) manually execute and deliver and the Secretary is hereby further authorized to attest by manual signature to such execution and to affix, imprint, engrave or reproduce the corporate seal of the Authority to any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Authority Officers or the Secretary, as applicable, in their respective sole discretion, after consultation with the Consultants, to be executed in connection with the execution and delivery of the Financing Documents and the Authority Subordinate Bonds and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such document, instrument or closing certificate by the party authorized under this resolution to execute such document, instrument or closing certificate and (ii) perform such other actions as the Authorized

Authority Officers deem necessary, desirable or convenient in relation to the execution and delivery thereof.

**Section 15. Subordinate Nature of Authority Subordinate Bonds.**

(A) In the event of any insolvency or bankruptcy proceedings, or any receivership, liquidation, reorganization or other similar proceedings in connection therewith, relative to the Authority or to its property, or in the event of any proceedings for voluntary liquidation, dissolution or other winding up of the Authority, whether or not involving insolvency or bankruptcy, the holders of all Revenue Bonds shall be entitled to receive payment in full of all payments on such Revenue Bonds before the holders of all outstanding Authority Subordinate Bonds are entitled to receive any payment from the Revenues (as defined in the General Bond Resolution).

(B) In the event that any of the Authority Subordinate Bonds are declared due and payable before their expressed maturity because of the occurrence of a default (under circumstances when the provisions of (A) above shall not be applicable), the holders of all Revenue Bonds at such time outstanding shall be entitled to receive payment in full of all payments then due on such Revenue Bonds before the holders of such Authority Subordinate Bonds are entitled to receive any accelerated payment from the Revenues of principal or interest upon such Authority Subordinate Bonds. Any event of default with respect to the Authority Subordinate Bonds shall not in itself create the right to declare an event of default with respect to the Revenue Bonds.

(C) If any event of default with respect to the Revenue Bonds shall have occurred and be continuing (under circumstances when the provisions of (A) above shall not be applicable), the holders of all Revenue Bonds then outstanding shall be entitled to receive payment in full of all payments on all such Revenue Bonds before the holders of the Authority Subordinate Bonds are entitled to receive any accelerated payment from the Revenues of principal or interest on such Authority Subordinate Bonds.

(D) No holder of any Revenue Bonds shall be prejudiced in such holder's right to enforce subordination of the Authority Subordinate Bonds by any act or failure to act on the part of the Authority.

(E) The provisions of (A), (B), (C) and (D) above are solely for the purpose of defining the relative rights of the holders of the Revenue Bonds on the one hand and the holders of the Authority Subordinate Bonds on the other hand, and nothing herein shall impair, as between the Authority and the holders of the Authority Subordinate Bonds, the duty of the Authority, which is unconditional and absolute, to pay to the holders of the Authority Subordinate Bonds, the principal thereon and premium, if any, and interest thereon in accordance with their terms, nor shall anything herein prevent the holders of the Authority Subordinate Bonds from exercising all remedies otherwise permitted by applicable law upon default under the General Bond Resolution, subject to the rights under (A), (B), (C) and (D) above of the holders of the Revenue Bonds to receive cash, property or securities otherwise payable or deliverable to the holders of the Authority Subordinate Bonds.

**Section 16.** Withdrawals from the General Fund. In accordance with Section 510 of the General Bond Resolution and provided that the amount in every account or fund created and established by the General Bond Resolution, including the Operating Fund, Debt Service Fund, the Debt Service Reserve Fund and the Capital Replacement Fund, equals or exceeds the amount required to be therein and that the Authority is not in default in the payment of the principal of or interest on or redemption price of any Revenue Bonds or in the payment of any costs which are due and payable to the issuer of any Financing Facility or Liquidity Facility (each as defined in the General Bond Resolution) pursuant to the terms of any agreement between the Authority of such issuer, and all administrative costs of the Authority, including fees and expenses of any Fiduciary (as defined in the General Bond Resolution), have been paid, the trustee under the General Bond Resolution is hereby authorized and directed to withdraw from the General Fund from time to time amounts necessary to satisfy the debt service payments with respect to the Authority Subordinate Bonds.

**Section 17.** Covenant to Pay Authority Subordinate Bonds. The Authority hereby particularly covenants and agrees with the holders of the Authority Subordinate Bonds and makes provisions which shall be a part of its contract with such holders, that the Authority will pay or cause to be paid the principal of every Authority Subordinate Bond and the interest thereon at the date and place and in the manner mentioned in such Authority Subordinate Bond according to the true intent and meaning thereof and will carry out and perform all of the acts and things required of it by the terms of this resolution.

**Section 18.** Resolution Constitutes Contract. In consideration of the purchase and acceptance of the Authority Subordinate Bonds by those who shall hold the same from time to time, the provisions of this resolution shall be deemed to be and shall constitute contracts between the Authority and the holders from time to time of the Authority Subordinate Bonds.

**Section 19.** No Recourse. No recourse shall be had for the payment of the principal or redemption price, if any, of or the interest on the Authority Subordinate Bonds or for any claim based thereon or on this resolution against any member or other officer of the Authority or any person executing the Authority Subordinate Bonds. The Authority Subordinate Bonds are not and shall not be in any way a debt or liability of the State or of any county or municipality, and do not and shall not create or constitute any indebtedness, liability or obligation of the State or of any county or municipality, either legal, moral or otherwise.

**Section 20.** Authorization for Resolution. This resolution is adopted by virtue of the Sewerage Authorities Law and pursuant to its provisions, and the Authority has ascertained and hereby determines that adoption of this resolution is necessary to carry out the powers, purposes and duties expressly provided in the Sewerage Authorities Law and that each and every matter and thing as to which provision is made in this resolution is necessary in order to carry out and effectuate the purposes of the Authority in accordance with the Sewerage Authorities Law.

**Section 21.** Filing of Resolution. The Secretary is hereby authorized and directed to cause copies of this resolution to be filed for public inspection in the following places: in the offices of the Borough Clerks of the Boroughs of Garwood, Kenilworth, Mountainside and Roselle Park in the Municipal Building of said Boroughs, in the office of the City Clerk of the City of Rahway, in the Municipal Building of said City, in the office of the Municipal Clerk of the Town of Westfield, in the Municipal Building of said Town, in the offices of the Township Clerks of the Townships of Clark, Cranford, Scotch Plains, Springfield and Woodbridge, in the Municipal Building of said Townships, and in the office of the Authority, 1050 East Hazelwood Avenue, Rahway, New Jersey.

**Section 22.** Publication of Notice. The Secretary is hereby authorized and directed to cause to be published, after completion of filing of copies of this resolution as directed in the preceding Section, in the “*Star Ledger*”, a legally qualified public newspaper circulating in the district of the Authority, a notice in substantially the form attached as Exhibit C hereto and by this reference incorporated as if set forth in full herein.

**Section 23.** Multiple Document Sets. Notwithstanding any other provision of this resolution to the contrary, if in connection with the participation of the Authority in the Program, the State and the Trust require that the Authority execute more than one set of documents, the provisions of this resolution shall be deemed to apply to the Authority Subordinate Bonds and the Financing Documents related to each set of documents; provided, however, that in no event may the aggregate principal amount of all Authority Subordinate Bonds issued and delivered pursuant to the provisions of this resolution be in excess of the amount authorized in Section 3 hereof.

**Section 24.** Interim Financing. In anticipation of the issuance of the Authority Subordinate Bonds, the Authority hereby authorizes, if necessary or desirable, the issuance, sale and award of a note (the “Subordinate Note”) pursuant to the Trust’s Construction Loan Program. The Subordinate Note shall be substantially in the form required and traditionally used by the Trust (which form is available from the Trust). The execution and delivery of the Subordinate Note shall be in the same manner as herein prescribed with respect to the Authority Subordinate Bonds. An Authorized Authority Officer is hereby authorized to determine, pursuant to the terms and conditions established by the Trust under its Construction Loan Program and the terms and conditions of this resolution, the following items with respect to the Subordinate Note: (a) the aggregate principal amount of the Subordinate Note to be issued, which amount shall not exceed \$5,500,000; (b) the maturity of the Subordinate Note, which shall be no later than three (3) years after the date of issuance thereof or such longer period of time as may be permitted under the rules of the Trust’s Construction Loan Program; (c) the date of the Subordinate Note; (d) the interest rate or rates of the Subordinate Note (including different interest rates applicable to different drawdowns on the Subordinate Note), which shall not exceed three percent (3%) per annum; (e) the purchase price for the Subordinate Note; and (f) such other matters with respect to the Subordinate Note as may be necessary, desirable or convenient in connection with the sale, issuance and

delivery thereof, without limitation (i) combining the issuance of the Subordinate Note with the issuance of other subordinate notes of the Authority authorized or to be authorized to be issued for other purposes and (ii) issuing the Subordinate Note in the form of multiple subordinate notes from time to time if the Project is funded in more than one installment by the Program. The Authorized Authority Officers are hereby further severally authorized to manually execute and deliver and the Secretary is hereby further authorized to attest by manual signature to such execution and to affix, imprint, engrave or reproduce the corporate seal of the Authority to any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Authority Officers or the Secretary, as applicable, in their respective sole discretion, after consultation with the Consultants, to be executed in connection with the execution and delivery of the Subordinate Note and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such document, instrument or closing certificate by the party authorized under this resolution to execute such document, instrument or closing certificate.

**Section 25.** Capitalized Terms. All capitalized words and terms used but not defined in this resolution shall have the meanings ascribed to such words and terms, respectively, in the preambles to this resolution.

**Section 26.** Effective Date. This resolution shall take effect immediately.

Mr. Lambe made a motion, seconded by Mr. Harms, to award Contract #1722 – Purchase of one new Forklift to Maintainco, Inc. of South Plainfield, NJ, in the amount of \$58,559.00, as their bid was found to be in order, as recommended by Joanne Grimes, Purchasing Agent. The motion was approved by those present.

Mr. Lambe made a motion, seconded by Mr. Furci, to award Contract #1723 – Service for Caterpillar Engines and KATO Generators to Foley Inc. of Piscataway, NJ, in an estimated amount of \$310,793.47, as their bid was found to be in order, as recommended by Joanne Grimes, Purchasing Agent. The motion was approved by those present.

Mr. Lambe made a motion, seconded by Mr. Harms, to award Contract #1724 – Direct Energy of Iselin, NJ, in an estimated amount of \$40,567.80 based on 300 kW for a two year period, as their bid was found to be in order, as recommended by Joanne Grimes, Purchasing Agent. The motion was approved by those present.

The following Resolution #17-18 was offered by Mr. Lambe, on motion of Mr. Lambe, seconded by Mr. Tomaine and approved by those present.

**RESOLUTION #17-18**

**RESOLUTION FOR MEMBER PARTICIPATION IN A COOPERATIVE**

**PRICING SYSTEM, AND AUTHORIZING THE RAHWAY VALLEY SEWERAGE AUTHORITY TO ENTER INTO A COOPERATIVE PRICING AGREEMENT**

WHEREAS, N.J.S.A. 40A:11-11(5) authorizes contracting units to establish a Cooperative Pricing System and to enter into Cooperative Pricing Agreements for its administration; and

WHEREAS, the Educational Services Commission of New Jersey, hereinafter referred to as the "Lead Agency" has offered voluntary participation in a Cooperative Pricing System for the purchase of goods and services;

WHEREAS, on April 20, 2017 the governing body of the Rahway Valley Sewerage Authority located in the municipalities of Rahway and Woodbridge, in the Counties of Union and Middlesex, State of New Jersey duly considered participation in a Cooperative Pricing System for the provision and performance of goods and services;

NOW, THEREFORE BE IT RESOLVED as follows:

**TITLE**

This RESOLUTION shall be known and may be cited as the Cooperative Pricing Resolution of the Rahway Valley Sewerage Authority; and

**AUTHORITY**

Pursuant to the provisions of *N.J.S.A. 40A:11-11(5)*, the Executive Director is hereby authorized to enter into a Cooperative Pricing Agreement with the Lead Agency.

**CONTRACTING UNIT**

The Lead Agency shall be responsible for complying with the provisions of the *Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.)* and all other provisions of the revised statutes of the State of New Jersey.

**EFFECTIVE DATE**

This resolution shall take effect immediately upon passage.

The following Resolution #17-19 was offered by Mr. Mazzarella, on motion of Mr. Mazzarella, seconded by Mr. Rachlin and approved by those present.

**RESOLUTION #17-19**

WHEREAS, the Township of Clark submitted a Treatment Works Sewer Connection Application for Sangiuliano Group/Guarriello & Dec Associates for property located at 1132-1136 Westfield Avenue in the Township of Clark, State of New Jersey; and

WHEREAS, the application is for the connection of an 8" sewer line from the existing sewer to service one apartment building with 7-two bedroom townhouse units (this building will replace a single family home which is being demolished) at this location;

and

WHEREAS, the proposed connection will generate an approximate discharge of 1,575 gpd of flow; and

WHEREAS, the flow from the foregoing connection will not cause the Authority to exceed its permitted flow of 40 mgd; and

WHEREAS, the application has been reviewed by John Buonocore, Chief Engineer, and was found to be in order.

NOW, THEREFORE, BE IT RESOLVED by the Rahway Valley Sewerage Authority that it does hereby accept and approve the aforesaid application.

The following Resolution #17-20 was offered by Mr. Furci, on motion of Mr. Furci, seconded by Mr. Lambe and approved by those present.

**RESOLUTION #17-20**

WHEREAS, the Township of Springfield submitted a Treatment Works Sewer Connection Application for EKA Associates/Major Subdivision for property located at 376 Baltusrol Way in the Township of Springfield, State of New Jersey; and

WHEREAS, the application is for the connection of an 8” sewer main extending approximately 274 l.f. from the existing manhole and will service 3-four bedroom single family homes; and

WHEREAS, the proposed connection will generate an approximate discharge of 900 gpd of flow; and

WHEREAS, the flow from the foregoing connection will not cause the Authority to exceed its permitted flow of 40 mgd; and

WHEREAS, the application has been reviewed by John Buonocore, Chief Engineer, and found to be in order.

NOW, THEREFORE, BE IT RESOLVED by the Rahway Valley Sewerage Authority that it does hereby accept and approve the aforesaid application.

The following Resolution #17-21 was offered by Mr. Tomaine, on motion of Mr. Tomaine, seconded by Mr. Greet and approved by those present.

**RESOLUTION #17-21**

WHEREAS, the membership of the RAHWAY VALLEY SEWERAGE AUTHORITY (hereinafter the “Authority”) has as one of its primary functions the obligation to oversee and act upon all issues pertaining to positions of employment with the Authority and any

and all personnel matters related thereto; and

WHEREAS, the Authority determined to enter into a Separation of Employment Agreement (“Agreement”) with Don McCoy, a former employee of the Authority.

NOW, THEREFORE, BE IT RESOLVED, by the Commissioners of the Rahway Valley Sewerage Authority, that they hereby approve the separation Agreement negotiated by the Authority, Mr. McCoy, and the United Steel Workers Union; and

BE IT FURTHER RESOLVED, by the Commissioners of the Rahway Valley Sewerage Authority that Labor Counsel is hereby authorized and directed to prepare all necessary documents including all releases pursuant to this Resolution; and

BE IT FURTHER RESOLVED that the Agreement shall be maintained in confidence pursuant to the Agreement of the parties, subject to New Jersey law.

Mr. Tomaine made a motion, seconded by Mr. Harms, to provide Edward Kochick, Maintenance Coordinator, with a company vehicle, specifically a Ford Pick-up Truck which the Authority currently owns and utilizes around the plant, as recommended by the Executive Director.

Mr. Mazzarella stated that the Authority logo must be on this vehicle and all other vehicles as per the company policy. Mr. Meehan stated that it is.

After further discussion, the motion was approved by those present.

The following Resolution #17-22 was offered by Mr. Tomaine, on motion of Mr. Tomaine, seconded by Mr. Harms and approved by those present.

**RESOLUTION #17-22**

WHEREAS, the Executive Director is vested with the Rahway Valley Sewerage Authority (Authority) regarding appointment, promotion and discharge of employees of the Authority in coordination with the Board of Commissioners; and

WHEREAS, the Executive Director has conferred with the Personnel Committee and Board of Commissioners of the Authority regarding a realignment of certain Administrative and Supervisory staff of the Authority; and

WHEREAS, the 2017 Staff Realignment Plan-second phase is being implemented due to the reallocation of duties, increased responsibilities, and/or the anticipation of certain staff members retiring; and

WHEREAS, the realignment plan includes the creation of new titles, title changes, and salary adjustments; and

WHEREAS, the salaried titles being created are Chief Engineer/Asst. Superintendent,

Salary Grade K, and Process Control Technician, Salary Grade I; and

WHEREAS, the union titles being created are Chief Utility Worker, at the hourly rate of \$27.25; and Janitor, at the hourly rate of \$16.00; and

WHEREAS, Robert Remite will be promoted to the position of Process Control Technician, Salary Grade I, with a salary increase of \$5,000.00, and John Buonocore's title will change from Chief Engineer to Chief Engineer/Asst. Superintendent; and

WHEREAS, the position and title of Chief Engineer shall be abolished; and

WHEREAS, these matters were discussed with the Personnel Committee and Board Members at Personnel Committee Meetings held April 13<sup>th</sup> and 20<sup>th</sup>, 2017.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the Rahway Valley Sewerage Authority that they hereby approve this Resolution, and that the changes and salary increases shall become effective May 1, 2017.

The following Resolution #17-23 noting the policy changes was offered by Mr. Tomaine, on motion of Mr. Tomaine, seconded by Mr. Rachlin.

Mr. Mazzarella stated that he would be voting against this policy change and he feels the policy in place is sufficient.

After further discussion, the resolution was approved by those present with the exception of Mr. Mazzarella who voted against.

**RESOLUTION #17-23**

WHEREAS, the Rahway Valley Sewerage Authority currently has an Employee Handbook in place, and said handbook includes the Policies and Procedures to be complied with by its employees; and

WHEREAS, from time to time there is a need to modify these policies.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the Rahway Valley Sewerage Authority that the Policy titled "Overtime, Compensatory Time and Flex Time" shall be amended as noted below:

**XIII. OVERTIME, COMPENSATORY TIME AND FLEX TIME**

The Authority aims to maintain staffing and work schedules that are sufficient to operate the plant without placing excessive demands on its employees. However, in order to meet the Authority's operational needs, employees may be required to work additional hours beyond their normal work schedule. This includes Saturday, Sunday and holiday work. Employees are expected to perform this work when requested. All overtime must be authorized in advance by Management. Failure to obtain advance approval of any overtime will result in discipline, up to and including termination.

**Overtime**

Overtime shall be compensated in the following manner:

1. Exempt salaried employees under the Fair Labor Standards Act (“FLSA”):
  - A. Exempt employees earning a base salary of ~~\$100,000~~ **\$134,000** or more per year shall not be entitled to earn additional compensation for any hours worked in excess of forty (40) hours per week.
  - B. Exempt employees earning a base salary under ~~\$100,000~~ **\$134,000** per year and who are not eligible to receive overtime pay may receive compensatory time off **at the Executive Director’s discretion**. Eligible employees will receive straight compensatory time for all hours worked in excess of forty (40) hours per week. Exempt Salaried Administrative Office Staff will receive straight compensatory time for hours worked in excess of thirty-five (35) hours in a workweek.
2. Non-exempt salaried employees under the FLSA will receive overtime pay at the rate of one and one-half hours pay for all hours worked in excess of forty (40) hours per week.

Non-exempt hourly employees are to consult their Union Contract for procedures and calculation of overtime.

All salaried employees will be required to complete the appropriate overtime or compensatory time approval forms.

The amount of compensatory time earned by eligible exempt salaried employees can be accumulated; however, compensatory time cannot exceed forty (40) hours at any time.

Any compensatory time earned once the forty (40) hour limit is reached will not be recorded and will be considered forfeited.

The Authority will make every reasonable attempt to equalize overtime among employees in the same classifications.

Overtime is paid in accordance with applicable law, including the FLSA.

**Flex Time**

Salaried employees may request **to temporarily work remotely or have** alternate work schedules. These will be considered by the employee’s supervisor, and if found to be acceptable, will be forwarded to the Executive Director or his/her designee for final determination. Such approval shall be granted in the sole discretion of the Executive Director. The **approval to work remotely or have** alternate schedules may be terminated at the discretion of the Executive Director or his/her designee, with or without

notice, in the event that in the opinion of Management, this practice is not in the best interest of the Authority.

Hourly employees who wish to “shift swap” for an alternative work schedule will be permitted to change his/her work schedule with another employee under the conditions described in the Union Contract.

*... the remainder of the policy will remain unchanged.*

BE IT FURTHER RESOLVED by the Authority that this policy shall take effect immediately.

The following Resolution #17-24 noting the policy changes was offered by Mr. Tomaine, on motion of Mr. Tomaine, seconded by Mr. Gelin.

Mr. Mazzarella stated that he would be voting against this policy change and he feels the policy in place is sufficient.

After further discussion, the resolution was approved by those present with the exception of Mr. Mazzarella who voted against.

**RESOLUTION #17-24**

WHEREAS, the Rahway Valley Sewerage Authority currently has an Employee Handbook in place, and said handbook includes the Policies and Procedures to be complied with by its employees; and

WHEREAS, from time to time there is a need to modify these policies.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the Rahway Valley Sewerage Authority that the Policy titled “Personal Leave And Absenteeism For Severe Weather”, specifically the section related to Severe Weather, shall be amended as noted below:

**XVIII. PERSONAL LEAVE AND ABSENTEEISM FOR SEVERE WEATHER AND NATURAL DISASTERS**

Each employee shall be credited with four (4) personal days on the first day of each year following their successful completion of the applicable ninety (90) day probationary period.

**Absenteeism for Severe Weather, Natural Disasters, etc.**

In the event that an employee is unable to, or elects not to, come to work because of, or in anticipation of, flooding, strong winds, ice, snow or any other factors which in his/her judgment may affect safety in commuting to and/or from work, the employee will be given the opportunity to use personal, flex, compensatory (if applicable) or vacation time or work remotely, if approved in advance with the Executive Director. This procedure will also apply to declared State of Emergency, strike, chemical release, fire or

other factors which prohibit you from coming to work even though you are willing and able to do so.

Employees are encouraged to retain some discretionary paid time off for unanticipated emergencies.

In the event that an extreme situation does arise, the Executive Director will discuss the situation with the Personnel Committee, which may subsequently approach the Authority Board of Commissioners for a retroactive reinstatement of the time used or other compensation as may be appropriate in the circumstances.

*... the remainder of the policy will remain unchanged.*

BE IT FURTHER RESOLVED by the Authority that this policy shall take effect immediately.

**Bills and Claims**

Mr. Greet made a motion, seconded by Mr. Tomaine, that the following bills and claims previously audited by the Finance Committee be ordered paid. The motion was approved by those present.

**BILLS AND CLAIMS LISTING**

**BUILDING & EQUIPMENT FUND**

<u>CHECK</u>	<u>DATE</u>	<u>VENDOR</u>	<u>LINE/ACCT</u>	<u>AMOUNT</u>
3058	04/20/17	CDM SMITH, INC.	140.2	1,899.00
3059	04/20/17	HAWKINS, DELAFIELD & WOOD LLP	140.2	6,897.02
3060	04/20/17	LONGO ELECTRICAL-MECHANICAL	140.2	17,140.00

Total Building & Equipment Fund Checks: 3  
 Total Void Checks: 0  
 Total Void Check Amount: \$0.00  
 Total Building & Equipment Fund Checks Paid: \$25,936.02

**OPERATING FUND - MANUAL**

<u>CHECK</u>	<u>DATE</u>	<u>VENDOR</u>	<u>LINE/ACCT</u>	<u>AMOUNT</u>
284	04/13/17	NJ STATE HEALTH BENEFITS	03/04	125,848.15

Total Operating Fund Manual Checks: 1  
 Total Void Checks: 0  
 Total Void Check Amount: \$0.00  
 Total Operating Fund Manual Checks Paid: \$125,848.15

## OPERATING FUND

CHECK	DATE	VENDOR	LINE/ACCT	AMOUNT
47257	03/17/17	VOID – PRINTED ON CHECK	-	0.00
47258	03/21/17	CANON FINANCIAL SERVICES, INC.	16	453.76
47259	03/21/17	DIRECT ENERGY BUSINESS	19	17,825.77
47260	03/21/17	FEDEX	48	21.40
47261	03/21/17	INTELLIGENT ENERGY	22	772.85
47262	03/21/17	TREASURER - STATE OF NJ	40	2,150.00
47263	03/21/17	PSE&G COMPANY	19	366.30
47264	03/21/17	VERIZON WIRELESS	11	1,049.57
47265	03/30/17	CAESARS ENTERTAINMENT	15/49	342.72
47266	03/30/17	CANON USA INC.	16	444.18
47267	03/30/17	CRYSTAL SPRINGS WATER	13	20.00
47268	03/30/17	DIRECT ENERGY BUSINESS	22	44,977.10
47269	03/30/17	ELIZABETHTOWN GAS	22	2,508.00
47270	03/30/17	PSE&G COMPANY	19	7,099.13
47271	03/30/17	PUBLIC EMPLOYEES' RETIREMENT SYS.	04	245.58
47272	03/30/17	RAHWAY VALLEY SEWERAGE AUTH.	01/02	183,458.26
47273	03/30/17	PETTY CASH	14	4.50
47274	03/30/17	UNITED PARCEL SERVICE	48	68.49
47275	04/05/17	DELTA DENTAL OF NEW JERSEY INC.	03	7,154.46
47276	04/05/17	ELIZABETHTOWN GAS	22	595.42
47277	04/05/17	HOME DEPOT CREDIT SERVICES	32	1,492.76
47278	04/05/17	THE LINCOLN NATIONAL LIFE INS.	03	1,147.97
47279	04/05/17	MAGELLAN BEHAVIORAL HEALTH	03	524.70
47280	04/05/17	NJ MANUFACTURERS INSURANCE CO.	17	16,200.00
47281	04/05/17	STAPLES ADVANTAGE	13	218.27
47282	04/05/17	STAPLES CREDIT PLAN	13/27/31/32	2,880.25
47283	04/05/17	VISION SERVICE PLAN	03	1,265.64
47284	04/13/17	CITY OF RAHWAY - UNITED WATER	33	14,494.44
47285	04/13/17	ELIZABETHTOWN GAS	22	1,824.73
47286	04/13/17	ELIZABETHTOWN GAS	22	22,740.24
47287	04/13/17	INTELLIGENT ENERGY	22	1,883.05
47288	04/13/17	MIDDLESEX WATER COMPANY	33	6,536.30
47289	04/13/17	PSE&G COMPANY	19	452.40
47290	04/13/17	WINDSTREAM COMMUNICATIONS	11	1,240.43
47291	04/20/17	A TOUCH OF ITALY	49	518.70
47292	04/20/17	ADP, LLC.	16	2,629.98
47293	04/20/17	ADVANTECH CORPORATION	28	17,955.00
47294	04/20/17	ALL AMERICAN SEWER SERVICE INC.	32	6,365.00
47295	04/20/17	AMERICAN INDUSTRIAL SUPPLY	28/32	2,199.81
47296	04/20/17	AMERICAN WEAR	31/32	1,478.42
47297	04/20/17	APPLE CORING & SAWING LLC	32	1,250.00
47298	04/20/17	APPLIED ANALYTICS, INC.	31	6,050.00
47299	04/20/17	AQUA PRO-TECH LABORATORIES	41	4,825.00
47300	04/20/17	ARC DOCUMENT SOLUTIONS	12	2,222.95
47301	04/20/17	ASSOCIATED AUTO PARTS	35	15.40

CHECK	DATE	VENDOR	LINE/ACCT	AMOUNT
47302	04/20/17	ATLANTIC ANALYTICAL LAB	41	1,695.00
47303	04/20/17	B & B DISPOSAL	32	675.00
47304	04/20/17	BELL MOTORS, INC.	35	283.86
47305	04/20/17	BOWCO LABORATORIES, INC.	32	63.00
47306	04/20/17	CDM SMITH, INC.	05/06	6,571.25
47307	04/20/17	CANON FINANCIAL SERVICES, INC.	16	457.77
47308	04/20/17	CANON USA INC.	16	1,040.00
47309	04/20/17	CDW GOVERNMENT, INC.	27/31	1,101.65
47310	04/20/17	CHARLES F. CONNOLLY DIST. CO.	32	4,391.95
47311	04/20/17	COMMUNITY SAFETY CONSUL.	31	452.00
47312	04/20/17	CSL SERVICES, INC.	30	12,870.00
47313	04/20/17	ANDREA DeCARLO	13/15	455.25
47314	04/20/17	DELL MARKETING L.P.	27	2,122.48
47315	04/20/17	EARTHCARE - A WIND RIVER CO.	26	4,525.00
47316	04/20/17	EASTERN SHEET METAL & PLATE	32	676.47
47317	04/20/17	ENVIRONMENTAL COMPLIANCE	41	3,775.00
47318	04/20/17	ENVIRONMENTAL RESOURCE ASSOC.	40	1,830.67
47319	04/20/17	EVOQUA WATER TECHNOLOGIES	40	1,816.52
47320	04/20/17	FISHER SCIENTIFIC	40	5,113.60
47321	04/20/17	FLEXLINE	32	151.00
47322	04/20/17	FOLEY, INCORPORATED	28	1,018.81
47323	04/20/17	GOVCONNECTION, INC.	27	616.22
47324	04/20/17	GPANJ, INC.	31	895.00
47325	04/20/17	VOID – INVOICES PRINTED ON CHECK	-	0.00
47326	04/20/17	GRAINGER	31/32/34	10,599.96
47327	04/20/17	GREAT LAKES ENVIRONMENTAL	41	2,478.93
47328	04/20/17	GREENBAUM, ROWE, SMITH & DAVIS	07	5,570.60
47329	04/20/17	JOANNE GRIMES	15	374.24
47330	04/20/17	HACH COMPANY	40	1,546.58
47331	04/20/17	HAYES PUMP INC.	32	3,837.00
47332	04/20/17	INDEPENDENT OVERHEAD DOOR CO.	32	1,530.00
47333	04/20/17	INTELEPEER CLOUD COMM.	11	431.15
47334	04/20/17	JERSEY ELEVATOR COMPANY INC.	32	1,393.54
47335	04/20/17	JW GOODLIFFE & SON	32	1,069.56
47336	04/20/17	PATRICK KELLAWAY	31	119.01
47337	04/20/17	KOMLINE-SANDERSON	28	17,300.00
47338	04/20/17	KWG INDUSTRIES	32	1,562.00
47339	04/20/17	LABCHEM INC.	40	808.81
47340	04/20/17	LORCO PETROLEUM SERVICES	32	216.00
47341	04/20/17	LYONS ENVIRONMENTAL SERVICES	42	2,550.00
47342	04/20/17	MAINSTREAM MECHANICAL SALES	32	1,993.00
47343	04/20/17	MCMASTER-CARR SUPPLY CO.	32	2,490.27
47344	04/20/17	JAMES J. MEEHAN	27	69.97
47345	04/20/17	MOTION INDUSTRIES, INC.	28/32	2,651.84
47346	04/20/17	NAVITEND	27	137.50
47347	04/20/17	NES COMPANY, INC,	32	19,322.16

CHECK	DATE	VENDOR	LINE/ACCT	AMOUNT
47348	04/20/17	COLOGIX	11	294.00
47349	04/20/17	NJ ADVANCE MEDIA	12	503.85
47350	04/20/17	NJ GMIS TEC FOUNDATION	31	75.00
47351	04/20/17	NJ WATER ENVIRONMENT ASSOC.	31	304.00
47352	04/20/17	NUTLEY HEATING & COOLING	32	3,745.72
47353	04/20/17	NW FINANCIAL GROUP, LLC	09	277.50
47354	04/20/17	OPTIMUM CONTROLS CORP.	28	2,308.00
47355	04/20/17	ON THE MARK COMMUNICATIONS	12	675.00
47356	04/20/17	ONE CALL CONCEPTS, INC.	32	30.00
47357	04/20/17	P-M INDUSTRIAL SUPPLY, INC.	32	1,292.75
47358	04/20/17	PEREGRINE TECHNICAL SERVICES	41	3,605.00
47359	04/20/17	PITNEY BOWES INC.	48	243.00
47360	04/20/17	POLYDYNE INC.	23	30,400.00
47361	04/20/17	PRAXAIR DISTRIBUTION, INC.	32	474.46
47362	04/20/17	PUMPING SERVICES, INC.	32	1,764.00
47363	04/20/17	EUROFINS QC, INC.	41	2,784.50
47364	04/20/17	RADWELL INTERNATIONAL, INC.	32/34	2,047.08
47365	04/20/17	RARITAN SUPPLY	32	2,595.73
47366	04/20/17	RAHWAY VALLEY SEWERAGE AUTH.	01/02/03/44	178,171.99
47367	04/20/17	PETTY CASH	14	48.16
47368	04/20/17	SAKER SHOPRITES, INC.	49	39.81
47369	04/20/17	SCHWARTZ SIMON EDELSTEIN	08	18,520.14
47370	04/20/17	SCIENTIFIC WATER CONDITIONING	32	780.00
47371	04/20/17	SEIDLER CHEMICAL COMPANY	29	1,360.00
47372	04/20/17	SIMPLEX GRINNELL LP	28	393.63
47373	04/20/17	SPECTRASERV INC.	25	26,043.64
47374	04/20/17	TAYLOR OIL CO., INC.	24	1,291.45
47375	04/20/17	THE TRAINING CENTER	32	6,050.00
47376	04/20/17	TURTLE & HUGHES INC.	32	7,054.69
47377	04/20/17	UNITED STATES PLASTIC CORP.	32	222.38
47378	04/20/17	US HEALTHWORKS MEDICAL GROUP	31	535.00
47379	04/20/17	U.S. HEALTHWORKS MEDICAL	50	189.00
47380	04/20/17	USA BLUEBOOK	32	766.05
47381	04/20/17	VERIZON	27	2,013.78
47382	04/20/17	W. A. BIRDSALL & CO.	32	810.35
47383	04/20/17	WHIRL-AIR-FLOW	28	1,717.90
47384	04/20/17	WIDMER TIME RECORDER CO., INC.	13	397.20
47385	04/20/17	TOWNSHIP OF WOODBRIDGE	32	513.00
47386	04/20/17	WOODBIDGE PRINTING CENTER	12	1,527.41
47387	04/20/17	WILLIAM YACHERA	31	98.97

Total Operating Fund Checks: 129

Total Void Checks: 2

Total Void Check Amount: \$0.00

Total Operating Fund Checks Paid: \$820,582.69

OPERATING FUND	7-01	\$946,430.84
BUILDING & EQUIPMENT FUND	7-02	<u>\$25,936.02</u>
TOTAL OF ALL FUNDS:		\$972,366.86

**Open the floor to the Public for questions or comments**

None.

**Closed Session**

Mr. Tomaine made a motion to go into closed session at 8:38 p.m. for discussion of pending and/or anticipated legal matters, specifically the Rahway Park Siphon, and Contract #105. The motion was seconded by Mr. Rachlin and approved by those present.

**Regular Order of Business**

Mr. Furci made a motion, seconded by Mr. Harms, to return to the Regular Order of Business at 9:11 p.m. The motion was approved by those present.

Mr. Lambe stated that he had a discussion with Mr. Meehan regarding emails and other Authority business being OPRAable. He stated that he recommends that the Commissioners create an email account with a user name that includes the word commissioner, rvsa, or similar for use in communications with the Authority, in order to keep that information separate from other files on their phones and/or computers. He asked Mrs. Grimes to coordinate this with the Commissioners.

**Adjournment**

As there was no further business, on motion of Mr. Harms, seconded by Mr. Lambe, the meeting adjourned at 9:12 p.m. The motion was approved by those present.

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Chairman

*Robert J. Materna*  
Robert J. Materna, Secretary-Treasurer

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Attachments