

WARREN TOWNSHIP SEWERAGE AUTHORITY

RESOLUTION NO. 11-91

**RESOLUTION APPROVING COST SUBSTANTIATION
CERTIFICATE #200 SUBMITTED BY THE OPERATOR
OF THE AUTHORITY'S WASTEWATER TREATMENT
SYSTEM, APPLIED WATER MANAGEMENT, INC., FOR
PAYMENT OF CERTAIN EXPENSES RELATED TO
CLEARING A BLOCKED SEWER LINE ALONG THE
HERITAGE DRIVE EASEMENT PURSUANT TO
ARTICLE IV OF THE WASTEWATER TREATMENT
SYSTEM OPERATION AND MAINTENANCE
AGREEMENT**

WHEREAS, Applied Water Management, Inc. operates the Authority's Wastewater Treatment System pursuant to the Wastewater Treatment System Operation and Maintenance Agreement between Warren Township Sewerage Authority and Applied Water Management, Inc., commencing June 1, 2009 (the "Agreement"); and

WHEREAS, the Agreement provides that Applied Water Management, Inc. ("AWM") submit a Cost Substantiation Certificate ("CSC") for any cost reasonably incurred or to be incurred by AWM which is chargeable in whole or in part to the Authority; and

WHEREAS, Article IV, Section 4.8 of the Agreement provides that AWM shall be responsible for the cost of Routine Maintenance and Preventive Maintenance of the Wastewater Treatment System, but that the Authority shall be responsible for the costs associated with repairs, replacements, and non-Routine Maintenance provided that AWM follows the Cost Substantiation procedures set forth in the Agreement; and

WHEREAS, AWM contacted National Water Main Cleaning Co. to clear a sewer backup along the Heritage Drive easement. Although this work is generally not considered to be an item of repair, replacement, or non-Routine Maintenance pursuant to Article IV and Appendix 16 of the Agreement, and would not be payable by the Authority, the Authority has determined that it is appropriate to reimburse AWM for certain of the costs associated with this work, and to eliminate the markup for other of the costs, in recognition that this blockage presented an exceptional set of circumstances, which circumstances included the distance and nature of the grease buildup; and

WHEREAS, National Water Main Cleaning Co. has submitted invoices to AWM in the following amounts for the following services: \$6,384.00 for sewer cleaning on April 10 and April 11, 2010; \$5,955.95 for sewer cleaning on April 16, 2010; and \$2,481.15 for televising the line on April 14, 2010, for a total of \$14,821.10; and

WHEREAS, AWM also contacted HMHTTC Response, Inc. to help further clear the sewer backup along the Heritage Drive easement after a spill was caused while using a grease cutter; and

WHEREAS, HMHTTC Response, Inc. has submitted an invoice to AWM in the amount of \$2,196.62 for spill clean up on April 15, 2010; and

WHEREAS, AWM has submitted CSC #200 for clearing a blocked sewer line and the subsequent emergency cleanup of grease spill along the Heritage Drive easement based on the above-referenced invoices and the applicable ten (10%) percent markup for a total cost of \$18,719.49 to the Authority; and

WHEREAS, for the reasons set forth above, the Authority has determined that it is appropriate to reimburse AWM for the \$14,821.10 in services rendered by National Water Main, and to pay AWM the ten percent markup for the services associated with televising the line (\$248.12 markup), but not pay such markup for the sewer cleaning services, and that the Authority not reimburse AWM for any of the \$2,196.62 costs or markup associated with spill clean-up. Accordingly, the Authority has determined to pay \$15,069.22 to AWM; and

WHEREAS, payment to AWM shall be from the Authority's Operating Account; and

WHEREAS, the Authority has reviewed CSC #200, dated 8/2/10, and is satisfied that payment in the amount of \$15,069.22 is fair and reasonable, and that the Authority desires to approve CSC #200.

NOW, THEREFORE, BE IT RESOLVED, by the Warren Township Sewerage Authority in the County of Somerset, New Jersey that:

1. CSC #200, approved in the amount of \$15,069.22, for payment of costs incurred from the clearing of a blocked sewer line and the subsequent emergency cleanup of grease spill along the Heritage Drive easement be and hereby is approved, conditioned upon receipt of a business registration certificate from AWM for every subcontractor that performed work on the project, unless such certificate is already on file with the Authority.

2. Payment to AWM shall be from the Authority's Operating Account.

Moved by Mr. Truglio
Seconded By Mrs. Garafola

Roll Call Vote	Yes	No
Chairman Reeder	x_____	_____

Mr. Florey	_____	_____
Mr. Truglio	x _____	_____
Ms. Garafola	x _____	_____
Mr. Vetter (Alternate)	x _____	_____
Mr. Kaufman (Alternate)	_____	_____

CERTIFICATION

I, Deborah Catapano, Secretary of the Warren Township Sewerage Authority in the County of Somerset, New Jersey, do hereby certify that the above resolution is a true and correct copy of a resolution adopted at a meeting of the Warren Township Sewerage Authority on August 17, 2011.



Deborah Catapano, Authority Secretary