

WARREN TOWNSHIP SEWERAGE AUTHORITY

RESOLUTION NO. 13-18

**RESOLUTION APPROVING COST SUBSTANTIATION
CERTIFICATE #320 SUBMITTED BY THE OPERATOR
OF THE AUTHORITY'S WASTEWATER TREATMENT
SYSTEM, APPLIED WATER MANAGEMENT, INC., FOR
PAYMENT OF CERTAIN EXPENSES RELATED TO THE
TRANSPORT OF SLUDGE TO SRVRSА WHILE PVSA
WAS PARTIALLY SHUTDOWN AFTER HURRICANE
SANDY PURSUANT TO ARTICLE IV OF THE
WASTEWATER TREATMENT SYSTEM OPERATION
AND MAINTENANCE AGREEMENT**

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

WHEREAS, the Agreement provides that 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, the need for sludge transport to SRVRSА due to the partial shutdown of PVSA after Hurricane Sandy was discussed at the December 17, 2012 Authority meeting, and approved of at same; and

WHEREAS, AWM contacted Russell Reid, Inc to transport the sludge to SRVRSА directly from Stage I/II and Stage IV as SRVRSА could not handle sludge that would have been thickened at the Stage V plant, thus requiring transport from the Stage I/II and Stage IV plants, the differential costs of which is properly considered an item of repair, replacement, or non-Routine Maintenance pursuant to Article IV and Appendix 16 of the Agreement; and

WHEREAS, Russell Reid, Inc. has submitted two invoices to AWM for services rendered each in the amount of \$2,007.60, from which AWM deducted \$1,201.52 for the cost AWM would have paid has the sludge first been thickened at Stage V, as well as

\$100 for the polymer that would have been used and paid by AWM to thicken the sludge at Stage V, thereby reducing each of the Russell Reid invoices down to \$706.08, for a total of \$1,412.16; and

WHEREAS, AWM has submitted CSC #320 for the transport of sludge to SRVRSa from Stage I/II and Stage IV, for the above-referenced amount and the applicable ten (10%) percent markup for a total cost of \$1,553.38 to the Authority; and

WHEREAS, this item of work is not included on the pre-approved list submitted by AWM for this Contract Year, but the Authority agrees that this additional work is a necessary item of repair, replacement, or non-Routine Maintenance; and

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

WHEREAS, the Authority has reviewed CSC #320, dated February 6, 2013 in the amount of \$2,723.60, and is satisfied that the amount is fair and reasonable, and that the Authority desires to approve CSC #320.

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

1. CSC #320, signed in the amount of \$1,553.38, for payment for the transport of sludge to SRVRSa 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 Mr. Vetter

Roll Call Vote	Yes	No
Chairman Reeder	x _____	_____
Mr. Truglio	x _____	_____
Ms. Garafola	_____	_____
Mr. Kaufinan	_____	_____
Mr. Vetter	x _____	_____
Mr. Checchio (Alternate #1)	x _____	_____
Mr. Paolella (Alternate #2)	_____	_____

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 February 20, 2013.


Deborah Catapano, Authority Secretary