

WARREN TOWNSHIP SEWERAGE AUTHORITY

RESOLUTION NO. 14-71

**RESOLUTION APPROVING COST SUBSTANTIATION
CERTIFICATE #375C SUBMITTED BY THE OPERATOR
OF THE AUTHORITY'S WASTEWATER TREATMENT
SYSTEM, APPLIED WATER MANAGEMENT, INC., FOR
PAYMENT OF CERTAIN EXPENSES RELATED TO
STAGE I/II PHOSPHOROUS REMOVAL STUDY
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 Authority directed AWM to assist in conducting a study to ascertain the extent which the concentration of phosphorous could be reduced without requiring capital improvements so as to determine the feasibility of a phosphorus trading program, which study require the addition of chemicals to reduce phosphorus below that required by the NJPDES permit; and

WHEREAS, the costs incurred by AWM in obtaining the additional chemicals to conduct such a study are recoverable under the Agreement as non-routine costs authorized by the Authority in anticipation and mitigation of a possible Wastewater Treatment Modification due to Change in Law pursuant to Article V, Section 5.4 of 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, AWM has submitted two invoices from Coyne Chemical for a total of \$2,215.00, and three New Jersey Analytical Laboratories invoices for a total of \$336.00, and the applicable AWM markup of \$255.10 for a total of \$2,806.10; and

WHEREAS, AWM has submitted CSC #375C for materials to continue the phosphorous removal study, the above-referenced invoices and the applicable ten (10%) percent markup on said invoices for a total cost of \$2,806.10 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 non-Routine Maintenance in anticipation and mitigation of a possible Wastewater Treatment Modification due to Change in Law pursuant to Article V, Section 5.4 of the Agreement; and

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

WHEREAS, the Authority by way of Resolution No. 14-17, Resolution 14-36, and Resolution No. 14-57, previously approved \$1,975.88, \$1,282.88, and \$6,459.65 respectively, for costs associated with the Phosphorous Removal Study; and

WHEREAS, the Authority has reviewed CSC #375C, dated June 27, 2014 in the amount of \$2,806.10, and is satisfied that the amount is fair and reasonable, and that the Authority desires to approve CSC #375C.

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

1. CSC #375C, signed in the amount of \$2,806.10, for the costs associated with the Stage I/II phosphorous removal study, 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.

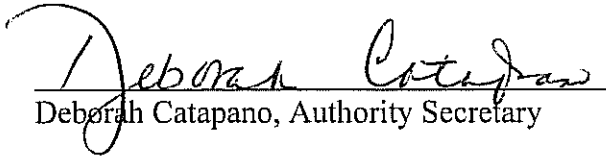
Moved by Mr. Truglio
Seconded by Mr. Mosquera

Roll Call Vote	Yes	No
Chairman Truglio	<u>✓</u>	_____
Mr. Mosquera	<u>✓</u>	_____
Ms. Garafola	_____	_____
Mr. Vetter	_____	_____
Mr. Reeder	_____	_____
Mr. Checchio (Alt 1)	<u>✓</u>	_____
Mr. Paoletta (Alt 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 July 16, 2014.


Deborah Catapano, Authority Secretary