

SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY**RESOLUTION RE: FY2016 ANNUAL FINANCIAL AUDIT**

WHEREAS, N.J.S.A. 40A:5A-15 requires the governing body of each local Authority to cause an annual audit of its accounts to be made; and

WHEREAS, the annual audit report for the fiscal year ended November 30, 2016 has been completed and filed with the Governing Body and the Director of the Division of Local Government Services pursuant to N.J.S.A. 40A:5A-15; and

WHEREAS, N.J.S.A. 40A:5A-17 requires the governing body of each Authority to, within 45 days of receipt of the annual audit, certify by resolution to the Local Finance Board that each member thereof has personally reviewed the annual audit report, and specifically the sections of the audit report entitled "General Comments" and "Recommendations", and has evidenced same by group affidavit in the form prescribed by the Local Finance Board; and

WHEREAS, the members of the governing body have received the annual audit and have personally reviewed the annual audit, and have specifically reviewed the sections of the annual audit report entitled "General Comments" and "Recommendations" in accordance with N.J.S.A. 40A:5A-17,

NOW, THEREFORE BE IT RESOLVED, that the governing body of the Sussex County Municipal Utilities Authority hereby certifies to the Local Finance Board of the State of New Jersey that each governing body member has personally reviewed the annual audit report for the fiscal year ended November 30, 2016, and specifically has reviewed the sections of the audit report entitled "General Comments" and "Recommendations", and has evidenced same by group affidavit in the form prescribed by the Local Finance Board.

BE IT FURTHER RESOLVED, that the Secretary of the Authority is hereby directed to promptly submit to the Local Finance Board the aforesaid group affidavit, accompanied by a certified true copy of this resolution.

IT IS HEREBY CERTIFIED THAT THIS IS A TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING HELD ON MAY 17, 2017.



Andrea Cocula, Secretary

May 17, 2017
Date

LOCAL AUTHORITIES
GROUP AFFIDAVIT FORM

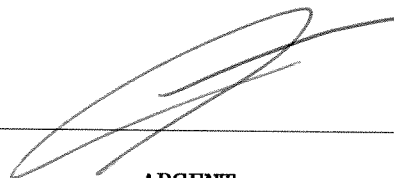
PRESCRIBED BY
THE NEW JERSEY LOCAL FINANCE BOARD

AUDIT REVIEW CERTIFICATE
FY2016

We, the members of the governing body of the Sussex County Municipal Utilities Authority, being of full age and being duly sworn according to law, upon our oath depose and say:

1. We are duly appointed members of the Sussex County Municipal Utilities Authority.
2. We certify, pursuant to N.J.S.A. 40A:5A-17, that we have each reviewed the annual audit report for the fiscal year ended November 30, 2016 and specifically the sections of the audit report entitled "General Comments" and "Recommendations".

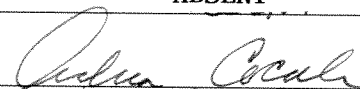
Ronald Petillo



Karl Meyer

ABSENT

Andrea Cocula



Wayne Dietz



Thomas Madsen



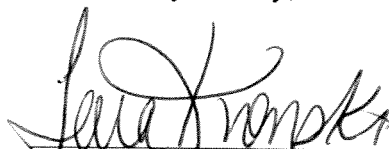
John Drake



Daniel Perez



Sworn to and subscribed before me
this 17th day of May, 2017



Notary Public of New Jersey

TARA KRONSKI
Notary Public of New Jersey
Commission Expires 8/5/19

RESOLUTION AUTHORIZING EXECUTIVE SESSION

WHEREAS, this Authority is authorized, pursuant to N.J.S.A. 10:4-12 to exclude the public from that portion of this meeting for purposes of discussing specific matters as permitted by N.J.S.A. 10:4-12; and,

WHEREAS, this Authority intends to discuss certain matters which are deemed confidential pursuant to N.J.S.A. 10:4-12, in Executive Session:

WHEREAS, at this time the Authority cannot determine the time when the discussion to be held in Executive Session will be made public, but will disclose the minutes of the Executive Session when the need for confidentiality no longer exists.

NOW, THEREFORE, be it resolved by the Sussex County Municipal Utilities Authority that this meeting shall be adjourned to an Executive Session (closed session) and the public will be excluded in order that the Authority may discuss the items listed below, and upon reconvening this public meeting the Chairman will announce, if possible, the time when and the circumstances under which the discussion conducted in Executive Session will be disclosed to the public. This resolution is authorized and allowed by and pursuant to N.J.S.A. 10:4-13.

(1) Any matter which, by express provision of federal law or State statute or rule of court shall be rendered confidential or excluded from the provisions of subsection a. of this section.

The general nature of the subject to be discussed per N.J.S.A. 10:4-13(a):

(2) Any matter in which the release of information would impair a right to receive funds from the Government of the United States.

The general nature of the subject to be discussed per N.J.S.A. 10:4-13(a):

(3) Any material the disclosure of which constitutes an unwarranted invasion of individual privacy such as any records, data, reports, recommendations, or other personal material of any educational, training, social service, medical, health, custodial, child protection, rehabilitation, legal defense, welfare, housing, relocation, insurance and similar program or institution operated by a public body pertaining to any specific individual admitted to or served by such institution or program, including but not limited to information relative to the individual's personal and family circumstances, and any material pertaining to admission, discharge, treatment, progress or condition of any

individual, unless the individual concerned (or, in the case of a minor or incompetent, his guardian) shall request in writing that the same be disclosed publicly.

The general nature of the subject to be discussed per N.J.S.A. 10:4-13(a):

- (4) Any collective bargaining agreement, or the terms and conditions which are proposed for inclusion in any collective bargaining agreement, including the negotiation of the terms and conditions thereof with employees or representatives of employees of the public body.

The general nature of the subject to be discussed per N.J.S.A. 10:4-13(a):

- (5) Any matter involving the purchase, lease or acquisition of real property with public funds, the setting of banking rates or investment of public funds, where it could adversely affect the public interest if discussion of such matters were disclosed.

The general nature of the subject to be discussed per N.J.S.A. 10:4-13(a):

- (6) Any tactics and techniques utilized in protecting the safety and property of the public, provided that their disclosure could impair such protection. Any investigations of violations or possible violations of the law.

The general nature of the subject to be discussed per N.J.S.A. 10:4-13(a):

- (7) Any pending or anticipated litigation or contract negotiations other than in subsection b. (4) herein in which the public body is, or may become a party.

The general nature of the subject to be discussed per N.J.S.A. 10:4-13(a):

Paulinskill Contract PRC-101; QC Lab Services Agreement; Stop and Shop Property Lien; Mountain Creek Bankruptcy; Landfill Life Extension Project.

Any matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the attorney to exercise his ethical duties as a lawyer.

The general nature of the subject to be discussed per N.J.S.A. 10:4-13(a):

(8) Any matter involving the employment, appointment, termination of employment, terms and conditions of employment, evaluation of the performance of, promotion or disciplining of any specific prospective public officer or employee or current public officer or employee employed or appointed by the public body, unless all the individual employees or appointees whose rights could be adversely affected request in writing that such matter or matters be discussed at a public meeting.

The general nature of the subject to be discussed per N.J.S.A. 10:4-13(a):

(9) Any deliberations of a public body occurring after a public hearing that may result in the imposition of a specific civil penalty upon the responding party or the suspension or loss of a license or permit belonging to the responding party as a result of an act or omission for which the responding party bears responsibility.

The general nature of the subject to be discussed per N.J.S.A. 10:4-13(a):

NOW, THEREFORE, be it further resolved by the Sussex County Municipal Utilities Authority that pursuant to N.J.S.A. 10:4-13(b) the time when and the circumstances under which the discussion conducted in closed session of the public body can be disclosed to the public is when the need for confidentiality no longer exists.

Certified as a true copy of the
Resolution adopted by the Authority
at their Regular Authority Meeting held
on Wednesday, May 17, 2017.


Andrea Cocula, Secretary

C:\Documents and Settings\TKronski\Desktop\CLOSED SESS RESOL.DOC

RESOLUTION RE: AUTHORIZATION FOR CHAIRMAN TO EXECUTE CHANGE ORDER NUMBER 3 TO SCMUA CONTRACT NO. PRC-101, WORTH AND COMPANY

WHEREAS, the Sussex County Municipal Utilities (SCMUA) and Worth and Company (Worth) entered into Contract PRC-101 in the amount of \$6,198,000 for the construction of the SCMUA-Branchville Regional Pumping Station; and

WHEREAS, Change Order Number 1 was approved by SCMUA on January 6, 2016 in the amount of \$28,408.00; and

WHEREAS, Change Order Number 2 was approved by SCMUA on August 3, 2016 in the amount of \$15,533.31; and

WHEREAS, over the course of the project, various changes to the project were either requested or required, resulting in several Potential Change Orders (PCO's); and

WHEREAS, the following PCO's with corresponding costs have been aggregated into Change Order #3: PCO#5 – Site Entrance Modifications @ \$36,000.00
PCO#7 – New Fiberglass Access Door @ \$4,626.05
PCO#8 – U.V. Panel Relocation @ \$10,851.00
PCO#10 – DF-1 Furnace Modifications @ \$15,000.00
PCO#11-Credit for Electrical Conduit Painting @ (\$1,500.00);and

WHEREAS, additional credits to Owner SCMUA are considered herein:
PCO#12 – Utility Bills paid by Owner @ \$4,205.61
PCO#13 – Security System Allowance (not used) @ \$5,000.00;and

WHEREAS, said debits and credits were negotiated with Worth and Company to total \$55,000.00 in approved cost change (increase) to the contract amount; and

WHEREAS, further negotiations with Worth and Company regarding SCMUA Liquidated Damages for contractor time delays in meeting Contract Substantial and Final Completion Dates resulted in approved credit (decrease) amount of \$95,000.00 to SCMUA; and

WHEREAS, the Net Negotiated Change Order Number 3 amount is \$95,000 credit less \$55,000 debit yields a credit (decrease) in \$40,000 to Owner; and

WHEREAS, the Owner/Contractor Contract Settlement negotiations also provide for a \$200,000 release in retainage due to achievement of Substantial Completion status, pursuant to Contractor Pay Request #23 which has been submitted by Contractor (Worth) and reviewed/approved by Engineer (Kleinfelder); and

WHEREAS, Change Order Number 3 has been prepared by Kleinfelder Associates in consultation with SCMUA, after negotiations with Worth, to provide for an appropriate Contract decrease in the total amount of \$40,000.00; and

WHEREAS, the SCMUA Staff, Kleinfelder, and SCMUA's Construction Review Committee have reviewed said Change Order and found it to be necessary, beneficial and reasonable; and

WHEREAS, the referenced Contract Change Order is USDA eligible, and debits/credits can be funded from the Paulinskill Project Contingency Line Item.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the SCMUA that the Chairman is hereby authorized and directed to execute Change Order Number 3 to Contract No. PRC-101, which reflects the work outlined above and contained in Change Order Number 3, for a decrease in Contract Price of Forty Thousand Dollars and Zero Cents (\$40,000.00), thereby changing the contract price from \$6,241,941.31 to \$6,201,941.31.

AND BE IT FURTHER RESOLVED that executed copies of Change Order Number 3 to Contract No. PRC-101 shall be distributed by Kleinfelder, to all appropriate parties, including review/concurrence by USDA.

AND BE IT FURTHER RESOLVED, that Worth and Company Pay Request #23 in the amount of \$200,000.00 is hereby approved, however, releasing of said payment is contingent upon the full execution and processing of Change Order Number 3, submittal of a schedule by Contractor regarding completion of outstanding Project Punch-list Items (including O&M Manuals), and USDA concurrence.

Certified as a true copy of the Resolution adopted by the Authority at their Regular Meeting held on Wednesday, May 17, 2017.

Andrea Cocula, Secretary