

THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

MEETING MINUTES

AUGUST 25, 2016

The Regular Meeting of The Southeast Morris County Municipal Utilities Authority (the "Authority") was held on Thursday, August 25, 2016, at 7:00 PM prevailing time in the Board Room at the offices of the Authority at 19 Saddle Road, Cedar Knolls, New Jersey.

The Chairman called the meeting to order at 7:00 PM and read the attached statement of Public Notice (Sunshine Law) and caused same to be entered into the minutes of the meeting.

ROLL CALL

PRESENT: Chairman Iannaccone; Members Baldassari, Conradi, Dougherty, Kissil, Rotando and Schimpf

ABSENT: Member Johnson

MOTION APPROVING REVISED MINUTES OF MAY 19, 2016

Copies of the revised minutes of the meeting held on May 19, 2016, were distributed to the members prior to the meeting for review and comment. Member Baldassari moved that the minutes be adopted. Members Conradi and Dougherty abstained. Member Rotando seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Iannaccone; Members Baldassari, Kissil, Rotando and Schimpf

NOES: None

ABSTAINS: Members Conradi and Dougherty

RESOLUTION APPROVING REVISED CLOSED SESSION MINUTES OF MAY 19, 2016

Copies of the revised closed session minutes of the meeting held on May 19, 2016, were distributed to the members prior to the meeting for review and comment. Member Baldassari offered the following resolution:

RESOLUTION NO. 65-16

RESOLUTION APPROVING REVISED CLOSED SESSION MINUTES OF MAY 19, 2016

“COPY ANNEXED”

Member Rotando seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Iannaccone; Members Baldassari, Kissil, Rotando and Schimpf

NOES: None

ABSTAINS: Members Conradi and Dougherty

MOTION APPROVING MINUTES OF JULY 21, 2016

Copies of the minutes of the meeting held on July 21, 2016, were distributed to the members prior to the meeting for review and comment. Member Dougherty moved that the minutes be adopted. Member Baldassari seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Iannaccone; Members Baldassari, Conradi, Dougherty, Kissil, Rotando and Schimpf

NOES: None

RESOLUTION APPROVING CLOSED SESSION MINUTES OF JULY 21, 2016

Copies of the closed session minutes of the meeting held on July 21, 2016, were distributed to the members prior to the meeting for review and comment. Member Rotando offered the following resolution:

RESOLUTION NO. 66-16

RESOLUTION APPROVING CLOSED SESSION MINUTES OF JULY 21, 2016

“COPY ANNEXED”

Member Baldassari seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Iannaccone; Members Baldassari, Conradi, Dougherty, Kissil, Rotando and Schimpf

NOES: None

RESOLUTION – APPROVAL OF AUGUST 2016 LIST OF BILLS

Copies of the bill list for August 2016 were distributed to the members prior to the meeting for comment and approval. Member Baldassari moved to approve the list of bills and offered the following resolution:

RESOLUTION NO. 67-16

RESOLUTION AUTHORIZING PAYMENT OF LIST OF BILLS FOR AUGUST 2016

“COPY ANNEXED”

Member Dougherty seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Iannaccone; Members Baldassari, Conradi, Dougherty, Kissil, Rotando and Schimpf

NOES: None

OTHER BUSINESS

A. Report of the Finance Committee

Member Baldassari reported on the meeting of the Finance Committee held on July 19, 2016. The purpose of the meeting was to discuss the status of the transition for the newly appointed Manager of Finance and to discuss the draft Cost of Services Study.

An update on the Finance Division was provided, including:

- The interim audit by Mark Wilson, Nisivoccia, has been implemented where initial findings did not identify any concerns.
- The contract with Phoenix Consulting was executed and will be implemented shortly.
- The operating and capital budget assignments for budget development have been made at the staff level. Board committee meetings will be implemented in mid-September for review of the draft budget and a second round of meetings is planned for early October for budget refinements if necessary.

Howard Woods presented an overview of the results from the draft Cost of Services Study. The COSS will continue to be developed to incorporate additional detail on the cost of operation of various facilities such as the Clyde Potts Reservoir, Dam and Water Treatment Plant. The COSS will be utilized to define future rate adjustments to the various classes of customers as part of the annual budget process. It was recommended to update the COSS on a five year cycle.

B. Report of the Engineering Committee

The Executive Director/Chief Engineering reported on the Finance Committee meeting held on July 19, 2016 for Member Johnson. A meeting was held to review several engineering projects and the draft Cost of Services Study.

Representatives from CP Engineers presented an overview of structural issues identified in the roof supports for Picatinny Tank No. 1 where the structural engineer's report recommended replacement of 28 of the 40 inner roof purlins, or beams. The cost of the structural repairs is estimated to be in the range of \$150,000 where these repairs will also require a stop work order to the existing painting contractor. CP Engineers and Authority staff will work to confirm whether other options exist to reduce the cost of the repairs and subsequent change orders required due to placing the current tank rehabilitation project on hold.

The Suburban Consulting Engineers, Inc. proposal for design and construction administration of the S. Jefferson Road main replacement project was also discussed. This project required a re-design due to a requirement to utilize a jack-and-bore method of construction as compared to the original design that utilized an open cut method. [This project was awarded at the July 21, 2016 Board Meeting.]

Paul Kozakiewicz presented an overview of the K. Hovnanian redevelopment project on the former Honeywell site in Morris Township. Credits to the connection fee were discussed including those for former dwellings that were demolished and that for contribution of improvements to the Authority. [The final applied credit was reviewed and approved at the July 21, 2016 Board Meeting.]

Howard Woods presented an overview of the results from the draft Cost of Services Study. The COSS will continue to be developed to incorporate additional detail on the cost of operation of various facilities such as the Clyde Potts Reservoir, Dam and Water Treatment Plant.

C. Resolution Authorizing Closed Session Discussion

Chairman Iannaccone stated that the following Agenda item may be held in closed session pursuant to subsection 7 of Section 12b of the Open Public Meetings Act (N.J.S.A. 10:4-6 et seq.):

1. Contract negotiations with CP Engineers LLC

The Chairman then moved the following resolution:

RESOLUTION NO. 68-16

RESOLUTION AUTHORIZING CLOSED SESSION DISCUSSIONS

"COPY ANNEXED"

Member Baldassari seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Iannaccone; Members Baldassari, Conradi, Dougherty, Kissil, Rotando and Schimpf

NOES: None

[CLOSED SESSION MEETING FOLLOWED]

[RESUMPTION OF PUBLIC MEETING]

D. Resolution Awarding a Professional Service Contract for Structural Repairs at Picatinny Water Storage Tank #1

The Board reviewed a memorandum dated August 17, 2016 from the Executive Director/Chief Engineer and Senior Civil Engineer recommending that a professional service contract be awarded to CP Engineers, L.L.C., in connection with structural repairs at Picatinny Water Storage Tank #1 in Morris Township, New Jersey.

Mr. Weiss stated that the Treasurer has certified that there are sufficient funds available in the 2016 Budget. Member Baldassari offered the following resolution:

RESOLUTION NO. 69-16

RESOLUTION AWARDING A PROFESSIONAL SERVICE CONTRACT FOR STRUCTURAL REPAIRS AT PICATINNY WATER STORAGE TANK #1

"COPY ANNEXED"

Member Conradi seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Iannaccone; Members Baldassari, Conradi, Dougherty, Kissil, Rotando and Schimpf

NOES: None

E. Resolution Authorizing Agreement for Installation of Electric Distribution Facilities with Jersey Central Power & Light

The Board reviewed a proposal and agreement from Jersey Central Power & Light (JCP&L) dated May 3, 2016 regarding an upgrade of electric service at Wing Well in the Township of Hanover, New Jersey. The cost of the upgrade to the Authority will be \$28,489.89; said cost will be refunded to the Authority over a period not to exceed ten (10) years at the rate of ten times distribution revenues as defined in JCP&L's Tariff for Services billed during that 12-month period.

Mr. Weiss stated that the Treasurer has certified that there are sufficient funds available in the 2016 Budget. Member Dougherty offered the following resolution:

RESOLUTION NO. 70-16

RESOLUTION AUTHORIZING AGREEMENT FOR INSTALLATION OF ELECTRIC DISTRIBUTION FACILITIES WITH JERSEY CENTRAL POWER & LIGHT

“COPY ANNEXED”

Member Kissil seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Iannaccone; Members Baldassari, Conradi, Dougherty, Kissil, Rotando and Schimpf

NOES: None

F. Water Main Extension Application – Honeywell Residential Development

The Superintendent recalled discussions from the prior meeting where the proposed residential Honeywell Residential Development project located at 101 Columbia Road in the Township of Morris was reviewed and discussed in detail. The Superintendent reviewed the application and was of the opinion that the connection can be made without any adverse effect on the water system or customers within the District. Member Dougherty made a motion to approve the main application. Member Baldassari seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Iannaccone; Members Baldassari, Conradi, Dougherty, Kissil, Rotando and Schimpf

NOES: None

REPORTS

Copies of the following reports were distributed to the Members for review and comment and a discussion ensued as to each item:

- A. Executive Director/Chief Engineer – July 2016
- B. Superintendent – July 2016
- C. Information Technology – July 2016
- D. Finance – July 2016

PUBLIC DISCUSSION

Chairman Iannaccone stated the next portion of the meeting was set aside for public discussion. No one from the public was present. The Chairman then closed the public portion of the meeting.

ADJOURNMENT

There being no further business, Member Dougherty moved that the meeting be adjourned. Member Baldassari seconded the motion. The meeting adjourned at 7:58 PM.

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY



SIDNEY D. WEISS
Assistant Secretary



Southeast Morris County Municipal Utilities Authority

19 SADDLE ROAD • CEDAR KNOLLS, NEW JERSEY 07927 • TEL 973-326-6880 • FAX 973-326-9521

Resolution No. 65-16

RESOLUTION APPROVING REVISED CLOSED SESSION MINUTES

RESOLVED that the attached revised minutes of the Closed Session Meeting held on May 19, 2016, be and the same are hereby approved but withheld from public inspection and insertion in the regular Minute Book pending release for public disclosure pursuant to the provisions of the Open Public Meetings Act; and

BE IT FURTHER RESOLVED that the minutes be inserted in the Closed Session Minute Book of the Authority pending such disclosure.

ATTEST:

SIDNEY D. WEISS, Assistant Secretary

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY

SAVERIO C. IANNACCONI, Chairman

Dated: August 25, 2016

Board Members

Morristown:
Mary Dougherty
Donald Kissil

Morris Township:
Dennis Baldassari
Alan Johnson

Morris Plains:
William Conradi
Ralph R. Rotando

Hanover Township:
Saverio C. Iannaccone
Adolf Schimpf

Executive Director/Chief Engineer: Laura Cummings, P.E.

Superintendent: Paul A. Kozakiewicz

CERTIFICATION

I hereby certify the foregoing to be a true copy of the resolution adopted by The Southeast Morris County Municipal Utilities Authority on Thursday, August 25, 2016, at a meeting duly convened of said Authority.


SIDNEY D. WEISS, Assistant Secretary

Dated: August 25, 2016



Southeast Morris County Municipal Utilities Authority

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Resolution No. 66-16

RESOLUTION APPROVING CLOSED SESSION MINUTES

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BE IT FURTHER RESOLVED that the minutes be inserted in the Closed Session Minute Book of the Authority pending such disclosure.

ATTEST:

SIDNEY D. WEISS, Assistant Secretary

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY

SAVERIO C. IANNACCONI, Chairman

Dated: August 25, 2016

Board Members

Morristown:

Mary Dougherty
Donald Kissil

Morris Township:

Dennis Baldassari
Alan Johnson

Morris Plains:

William Conradi
Ralph R. Rotando

Hanover Township:

Saverio C. Iannaccone
Adolf Schimpf

Executive Director/Chief Engineer: Laura Cummings, P.E.

Superintendent: Paul A. Kozakiewicz

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SIDNEY D. WEISS, Assistant Secretary

Dated: August 25, 2016



Southeast Morris County Municipal Utilities Authority

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Resolution No. 67-16

RESOLUTION AUTHORIZING PAYMENT OF AUGUST 2016 LIST OF BILLS

BE IT RESOLVED that authorization is hereby granted to make payment of the following list of bills:

OPERATING FUND

Total Salary and Wages \$ 406,841.85

Total Operating Fund Checks and Wire Transfers \$ 430,688.90


GENERAL FUND/SPECIAL ACCOUNT \$ 91,526.07

TOTAL OF AUGUST 2016 LIST OF BILLS \$ 929,056.81

ATTEST:

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY


SIDNEY D. WEISS, Assistant Secretary


SAVERIO C. IANNACCONI, Chairman

Dated: August 25, 2016

Board Members

Morristown:
Mary Dougherty
Donald Kissil

Morris Township:
Dennis Baldassari
Alan Johnson

Morris Plains:
William Conradi
Ralph R. Rotando

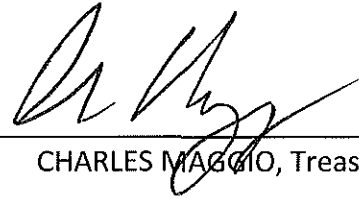
Hanover Township:
Saverio C. Iannaccone
Adolf Schimpf

Executive Director/Chief Engineer: Laura Cummings, P.E.

Superintendent: Paul A. Kozakiewicz

TREASURER'S CERTIFICATION

I hereby certify that there are sufficient funds available (\$929,056.81) for payment of the resolution entitled Resolution Authorizing Payment of August 2016 List of Bills in the Authority's 2016 Operating Budget.

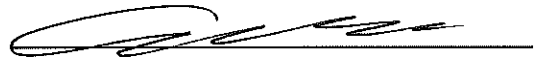


CHARLES MAGGIO, Treasurer

Dated: August 25, 2016

CERTIFICATION

I hereby certify the foregoing to be a true copy of the resolution adopted by The Southeast Morris County Municipal Utilities Authority on Thursday, August 25, 2016, at a meeting duly convened of said Authority.


SIDNEY D. WEISS, Assistant Secretary

Dated: August 25, 2016



Southeast Morris County Municipal Utilities Authority

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Resolution No. 68-16

RESOLUTION AUTHORIZING CLOSED SESSION DISCUSSION

RESOLVED that discussions of:


1. Contract negotiations with CP Engineers, LLC

be held in closed session pursuant to subsection 7 of Section 12b of the Open Public Meetings Act (N.J.S.A. 10:4-6 et seq.); and be it further

RESOLVED that since the discussions are to be conducted in closed session as permitted by the Act, and may involve questions of attorney/client privilege, it is not known at this time when, or if, the contents of the discussions may be disclosed.

ATTEST:

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY



SIDNEY D. WEISS, Assistant Secretary



SAVERIO C. IANNACCONE, Chairman

DATED: August 25, 2016

Board Members

Morristown:
Mary Dougherty
Donald Kissil

Morris Township:
Dennis Baldassari
Alan Johnson

Morris Plains:
William Conradi
Ralph R. Rotando

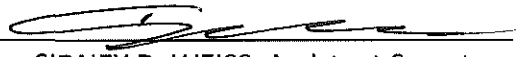
Hanover Township:
Saverio C. Iannaccone
Adolf Schimpf

Executive Director/Chief Engineer: Laura Cummings, P.E.

Superintendent: Paul A. Kozakiewicz

CERTIFICATION

I hereby certify the foregoing to be a true copy of the resolution adopted by The Southeast Morris County Municipal Utilities Authority on Thursday, August 25, 2016, at a meeting duly convened of said Authority.


SIDNEY D. WEISS, Assistant Secretary

Dated: August 25, 2016



Southeast Morris County Municipal Utilities Authority

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Resolution No. 69-16

RESOLUTION AUTHORIZING AWARD OF A PROFESSIONAL SERVICE CONTRACT FOR PROFESSIONAL ENGINEERING SERVICES WITH CP ENGINEERS, LLC

WHEREAS, the Authority has requested a proposal from CP Engineers, LLC ("CP"), to provide professional engineering services in connection with structural repairs at Picatinny Water Storage Tank No. 1 in the Township of Morris, New Jersey; and

WHEREAS, CP has submitted a proposal dated August 10 2016, for providing such services at a maximum not-to-exceed amount of \$29,290; and

WHEREAS, this Contract is being awarded without public bidding as a Professional Service Contract pursuant to the provisions of the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.) and in compliance with N.J.S.A. 19:44A-20.5 (Pay-to-Play Law); and

WHEREAS, CP has completed and submitted Business Entity Disclosure Certifications which certify that they have not made any reportable contributions to any political or candidate committee in the Township of Hanover, Borough of Morris Plains, Town of Morristown and the Township of Morris in the previous one year, and that the contract will prohibit them from making any reportable contributions through the term of the contract; and

WHEREAS, the Treasurer has determined and certified in writing that the value of the Contract will exceed \$17,500; and

WHEREAS, the Treasurer has certified that there are sufficient funds available in the 2016 Budget; and

WHEREAS, the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.) requires that notice of the awarding of professional service contracts be printed once in a newspaper authorized by law to publish the Authority's legal advertisement;

NOW THEREFORE BE IT RESOLVED by The Southeast Morris County Municipal Utilities Authority as follows:

Board Members

Morristown:
Mary Dougherty
Donald Kissil

Morris Township:
Dennis Baldassari
Edward A. Taratko, Jr.

Morris Plains:
William Conradi
Ralph R. Rotando

Hanover Township:
Saverio C. Iannaccone
Adolf Schimpf

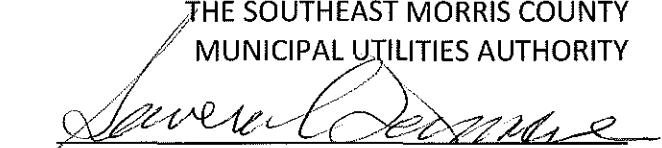
Executive Director/Chief Engineer: Laura Cummings, P.E.

Superintendent: Paul A. Kozakiewicz

1. That the proposal of CP dated August 10, 2016, be and the same is hereby accepted and approved.
2. The Executive Director/Chief Engineer be and is hereby authorized and directed to execute a Professional Service Contract on behalf of the Authority.
3. This contract is awarded without competitive bidding as a "Professional Service Contract" in accordance with the Local Public Contracts Law because the services to be rendered are professional services as therein defined; and
4. Copies of this Resolution shall be filed in the office of the Secretary of the Authority and in the respective offices of the Clerks of the Township of Hanover, the Township of Morris, the Town of Morristown and the Borough of Morris Plains, and notice of the award shall be printed once in the Daily Record in accordance with the Local Public Contracts Law.

ATTEST:


SIDNEY D. WEISS, Assistant Secretary

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY

SAVERIO C. IANNACCONE, Chairman

DATED: August 25, 2016

NOTICE OF AWARD OF PROFESSIONAL SERVICE CONTRACT

Public Notice is hereby given that on July 21, 2016, The Southeast Morris County Municipal Utilities Authority adopted a Resolution authorizing execution of Professional Service Contract with CP Engineers, LLC, to provide professional engineering services in connection with structural repairs at Picatinny Water Storage Tank No. 1 in the Township of Morris, New Jersey. The contract is for professional engineering services to be performed at a cost to the Authority estimated not to exceed \$29,290 as more particularly set forth in the aforesaid Resolution, copies of which are on file and available for public inspection in the office of the Authority, 19 Saddle Road, Cedar Knolls, New Jersey, and in the respective offices of the Clerks of the Township of Morris, the Township of Hanover, the Town of Morristown and the Borough of Morris Plains.

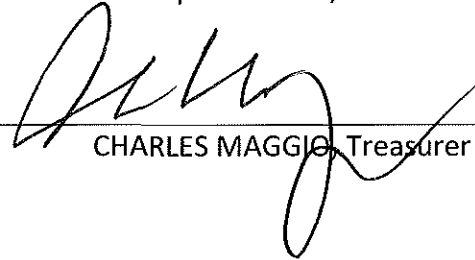
THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY

SAVERIO C. IANNACCONE, Chairman

DATED: August 25, 2016

CERTIFICATION OF VALUE IN EXCESS OF \$17,500 (PAY-TO-PLAY LAW)

The undersigned hereby certifies that the estimated amount of the contract to be awarded to CP Engineers, LLC, to provide professional engineering services in connection with structural repairs at Picatinny Water Storage Tank No. 1 in the Township of Morris, New Jersey exceeds \$17,500.

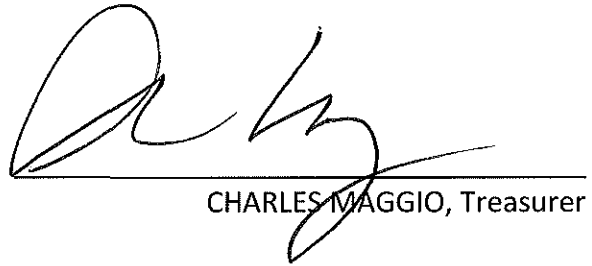


CHARLES MAGGIO, Treasurer

Dated: August 25, 2016

TREASURER'S CERTIFICATION

I hereby certify funds are available in the total maximum amount of \$29,290 for payment of a contract with CP Engineers, LLC, to provide professional engineering services in connection with structural repairs at Picatinny Water Storage Tank No. 1 in the Township of Morris, New Jersey. This item will be charged to Account No. 02-00-500-364 - 2015 Storage Tank Rehab & Inspection.

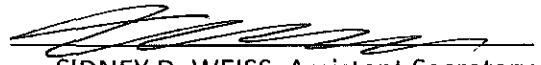


CHARLES MAGGIO, Treasurer

DATED: August 25, 2016

CERTIFICATION

I hereby certify the foregoing to be a true copy of the resolution adopted by The Southeast Morris County Municipal Utilities Authority on Thursday, August 25, 2016, at a meeting duly convened of said Authority.


SIDNEY D. WEISS, Assistant Secretary

Dated: August 25, 2016



Southeast Morris County Municipal Utilities Authority

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Resolution No. 70-16

RESOLUTION AUTHORIZING AGREEMENT WITH JERSEY CENTRAL POWER & LIGHT COMPANY FOR INSTALLATION OF ELECTRIC DISTRIBUTION FACILITIES AT WING WELL IN THE TOWNSHIP OF HANOVER, NEW JERSEY

WHEREAS, the Authority has received a proposal and proposed agreement for an upgrade of electric service at Wing Well in the Township of Hanover, New Jersey, from Jersey Central Power & Light Company ("JCP&L"), a copy of which proposal and proposed agreement are attached hereto; and

WHEREAS, the cost of the upgrade to the Authority will be \$28,489.89, as set forth in the attached proposal; and

WHEREAS, said cost will be refunded to the Authority over a period not to exceed ten (10) years at the rate of ten times distribution revenues as defined in JCP&L's Tariff for Services billed during that 12-month period, as set forth in the attached proposal and agreement; and

WHEREAS, the proposed upgrade is determined to be a necessary improvement to the Water System; and

WHEREAS, the proposed agreement is for services to be provided by a public utility pursuant to a tariff approved by the New Jersey Board of Public Utilities and is therefore exempt from public bidding under the exceptions provided in the Local Public Contracts Law (N.J.S.A. 40A:11-5) and is not subject to the New Jersey Pay to Play Law (N.J.S.A. 19:44A-20.5); and

WHEREAS, funds for the payment of \$28,489.89 are available and have been certified by the Treasurer; and

NOW THEREFORE, BE IT RESOLVED by The Southeast Morris County Municipal Utilities Authority as follows:

Board Members

Morristown:
Mary Dougherty
Donald Kissil

Morris Township:
Dennis Baldassari
Alan Johnson

Morris Plains:
William Conradi
Ralph R. Rotando

Hanover Township:
Saverio C. Iannaccone
Adolf Schimpf

Executive Director/Chief Engineer: Laura Cummings, P.E.


Superintendent: Paul A. Kozakiewicz

1. The proposed agreement with JCP&L for upgrades to the Authority's Wing Well is hereby approved substantially in the form attached hereto.
2. The Chairman or Vice Chairman and Secretary or Assistant Secretary are hereby authorized and directed to sign such agreement on behalf of the Authority.

ATTEST:

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY


SIDNEY D. WEISS, Assistant Secretary


SAVERIO C. IANNACCONI, Chairman

DATED: August 25, 2016



Work Request # 57968468
S M C M U A, Upgrade supplied voltage from 480 powerbank to 277/480 conventional
9 Ridgedale Ave
May 03, 2016

Southeast Morris County Municipal Utilities Authority
Attn To: Kenneth Crawford
19 Saddle Rd
Cedar Knolls, NJ 07927

Contract Cover Letter

Enclosed please find Jersey Central Power & Light Company's contract forms and attachments as indicated below:

- Customer Options for Financing
- Agreement for Installation of Electric Distribution Facilities-PAY NOW
- Agreement for Installation of Electric Distribution Facilities-PAY LATER
- Blank W9 Form

NOTE: The Agreement specified above requires signatures* on the last page, with two (2) originals returned to me to the address specified below before I can release the job to the appropriate Line Department to schedule the construction of the facilities.

*For a Corporation, the President or Vice President signs and the Secretary or Treasurer attests (unless otherwise provided for, with an attached Corporate Resolution); for a Partnership (General or Limited), all of the General Partners sign with their signatures witnessed; for a Limited Partnership, the Managing Member signs with that signature witnessed; for a Husband and Wife, both must sign with their signatures witnessed; and for a Single Person or Proprietorship, that person must sign with that signature witnessed.

- Customer/Applicant Specifications / Proposal Letter
- Right-of-Way Requirements
- Letter-of-Credit with Attachments

Any of the following items, if indicated, must also be returned with this form:

- Required Payment: **\$28,489.89**
Do not remit payment with this agreement - you will receive a separate invoice, once we receive your signed agreement back and the items checked below.

- Right-of-Way documents as specified
- The Letter-of-Credit completed by your financial institution
- Signed W9 Form

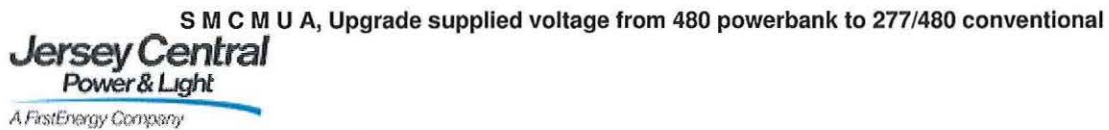
Also, please note that a minimum Redesign and Processing Charge of \$500.00 (including \$28.00 NJ Sales Tax) will be applicable if you require a redesign of this job. A firm Redesign Charge will be provided based upon the specific changes you request.

Sincerely,

Layout Technician
Kenneth M Petrenko
Mailing Address:
46 Parsippany Boulevard
Boonton, NJ 07005

Phone: (973)331-5305
Fax:
Email: kpetrenko@firstenergycorp.com

Work Request # 57968468
Notification # 335120817
SP Order # 14909733



**AGREEMENT FOR INSTALLATION OF
ELECTRIC DISTRIBUTION FACILITIES
Utilizing a "Refundable Customer Contribution"**

THIS AGREEMENT, made on this date, **May 03, 2016** by and between Jersey Central Power & Light Company, (hereinafter referred to as "Company"), and **Southeast Morris County Municipal Utilities Authority** (hereinafter referred to as "Customer"), with Mailing Address of **19 Saddle Rd, Cedar Knolls, NJ, 07927** with a service location of **9 Ridgedale Ave, Cedar Knolls, Morris County**; hereinafter collectively referred to as the "Parties".

WITNESSETH:

Whereas, Company's Tariff for Electric Service - NJBPU No. 10 ("Tariff") which is on file with, and approved by the New Jersey Board of Public Utilities ("NJBPU") directs the Company to evaluate customer requests to increase capacity or extend facilities based on the expected return on investment to the Company, taking into account any contribution by the Customer to such costs; and

Whereas, in compliance with the NJBPU Tariff, the Company has evaluated Customer's request to extend facilities and/or increase capacity ("Extension"), and has determined that, considering the cost to accommodate Customer's request and the revenues necessary to be derived therefrom, the Company is agreeable to proceed with the installation of the Extension based upon the terms of this Agreement; and

Whereas, Customer will require, and the Company will provide facilities described as follows:
JC129HR - REPLACE POLE WITH NEW 45FT CL3, TRANSFER 3PH DE PRIMARY ON 10FT FIBERGLASS X-ARM, RETURN (3) 167KVA XMFERS (480DELTA) INSTALL (3) 167 KVA XMFERS WITH A SEC VOLT 277/480 FUSED AT 30-K, REMOVE POLE JC127HR, SCRAP 3-WIRE (NO NEUTRAL) SERVICE. INSTALL (1) NEW 35FT CL4 POLE "LIFT POLE" INSTALL APPROX 120FT OF 336 QUAD SEC AND SERVICE. METER DEPT TO RE WIRE CT'S AND INSTALL NEW METER IN NEW CUSTOMER PROVIDED / INSTALLED CT CABINET LOCATED OUTSIDE OF WELL HOUSE.

Whereas, (if necessary) Company will require, and the Customer will be responsible for supplying and installing facilities as designated by the Company in its "CUSTOMER/APPLICANT SPECIFICATIONS /PROPOSAL LETTER", which becomes an integral part of this Agreement ; and

Whereas, the cost for the Extension is separated into both: (a) non-refundable costs to be paid in advance for Customer requested special service location or installation costs which amounts to **\$0.00**; and (b) the balance of **\$28,489.89**, of which **\$28,489.89** is subject to refund as described in Article 7 of this Agreement. These charges, and the alternative of making a Minimum Charge Contract, are described in the attached "Customer/Applicant Options For Financing The Installation Of Electric Distribution Facilities" which becomes an integral part of this Agreement; and

Whereas, in order for the Customer to realize whatever refunds may be made of the Customer's Contribution toward such Extension costs, Company agrees to enter into this Agreement for a period of ten (10) years; and

Whereas, it is understood that nothing in this Agreement is to restrict the selection of an Electric Power Supplier by the Customer;

Whereas, the Company is willing to provide the funding for this Extension on the condition that the Company have the opportunity for a reasonable recovery of such investment during the term of this Agreement; and

Whereas, Customer is agreeable to this Agreement with Company in order to achieve the described Extension;

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, and intending to be legally bound hereby, Company and Customer agree as follows:

Article 1 - Incorporation of Preamble: The recitals contained in the Preamble of this Agreement are hereby incorporated into, and form a part of, this Agreement between Company and Customer,

Article 2 - Location: At Customer's sole expense, Company agrees: (a) to use its best efforts to obtain the necessary rights-of-way and consents, and having obtained same, (b) to furnish with reasonable diligence, the necessary labor and materials to construct and complete an Extension to serve Customer's service location ("Premises").

Article 3 - Rate for Electric Service: In order to induce the Company to make the investment required to extend the facilities as Customer has requested and to provide the Company with a reasonable assurance of payback on that investment, Customer agrees to be billed in accordance with the provisions of Company's Tariff for Electric Service with applicable modifying riders and as it may be modified, supplemented or superseded from time to time. Such rates to include Customer Charges, Demand Charges, Minimum Charges and Energy Charges as defined in such rate schedules.

Article 4 - Effective Date: The effective date of this Agreement shall be upon execution by Company and Customer.

Article 5 - Term of Agreement: In order to accommodate Customer's need for the supply of electricity, and in order to provide Company with the opportunity to recover a reasonable return on its capital investment, the term of this Agreement as it relates to the provision and receipt of electric service shall be for a period of ten (10) years, beginning with the date Customer is capable of accepting service at its Service Location; however, in no event shall the date for the initiation of service and billing under the provisions of this Agreement be later than the date the meter is set to begin registration of Customer's electric service usage, nor later than ninety (90) days from the Effective Date of this Agreement. This Agreement shall terminate upon the fulfillment of all terms and conditions specified herein.

Article 6 - Commencement of Service: Commencing with the date Customer is capable of accepting electric service at the Service Location, and the Company is capable of providing such service, the Customer shall take and pay for said electric service from Company.

Article 7 - Conditions of Refund: Customer shall be eligible for refunding of the **\$28,489.89** advanced for a period not to exceed ten (10) years. Annual refunds will be made in the amount of ten times of distribution revenues as defined in the JCP&L's Tariff for Service billed during that 12-month period, the sum of which shall not exceed the amount subject to refund. When the service is for multiple accounts, the distribution revenues from all such accounts will be used to determine annual refunds. It is recommended that the Applicant contact the Company at the end of each 12-month period, to determine eligibility for a refund. All refundable deposits shall be non-interest bearing.

Article 8 - Right of Way: (This section is not applicable)

Article 9 - Entire Agreement: The provisions of this Agreement and its Attachments shall constitute the entire integrated agreement of the Parties. No prior or contemporaneous communications shall be relevant or admissible for purposes of determining the meaning or extent of any provisions herein in any litigation or other proceeding regarding same.

Article 10 - Agreement Modifications: No changes, additions, modifications or amendments of this Agreement shall be effective unless they are set out in writing and signed by the Parties hereto.

Article 11 - Further Documents: The Parties shall execute such other documents as may be reasonably necessary to effectuate the terms and conditions of this Agreement.

Article 12 - Miscellaneous: Except as otherwise modified by this Agreement or by the Tariff, Customer shall be subject to the terms and conditions of Customer's Service Classification.

Article 13 - Successors and Assigns: This Agreement shall be binding upon Customer and Company, their heirs, administrators, executors, successors and assigns, as the case may be; PROVIDED HOWEVER, Customer may not assign this Agreement to any entity other than Customer's lenders, affiliates and partners, except upon Customer first giving Company written request for such assignment by registered mail, return receipt requested, and upon prior written approval of the assignment by the Company. Such approval shall not be necessary, however, unless there is an Unrecovered Capital Investment balance (see Article 6).

Article 14 - Counterparts: This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

Article 15 - Approvals: This Agreement is subject to Company's receipt of necessary regulatory approvals or authorizations, if any.

Article 16 - Unanticipated Conditions: If upon commencing installation of the line extension, the Company encounters unanticipated conditions such as environmental concerns, digging in conditions that require equipment other than a backhoe, or other obstacles that do not allow standard design methods of construction to be employed, then the costs that were developed for this agreements, which were based upon standard design, shall be deemed null and void. The Company will redesign the job based upon actual field conditions, and present the Customer with modified costs and/or methods of installation which will constitute an addendum to this contract.

Article 17 - Additional Item: NONE

Article 18 – The Company agrees to provide electric power for safe, adequate and proper service based upon load information that the Customer or the Customer's representative has submitted to the Company. Based upon that information, the Company has determined that the total diversified load to be served shall be 273 KW.

Prior to making any future material increase or decrease in connected load, demand, or other conditions of use of service or change of purpose, arrangement, or characteristic of electrical equipment, the Customer agrees to notify the Company of such intention so that the Company may determine if any changes in its distribution facilities will be required in order to maintain safe, adequate and proper service to the Customer under the changed proposed conditions. Failure of the Customer to provide prior notice to the Company of such change shall render the Customer responsible and liable for any damage to the Company's facilities and injury to its employees caused by the changed conditions. In addition, any undisclosed Customer load increase may result in an interruption of electric service during peak conditions

Article 19 - Service Installation Requirements: All service installation work to be performed by the Customer is to be done in accordance with the most current edition of the Company's "Information and Guidance for Customer Electric Service" (Form 115) manual and any changes, revisions or amendments thereto.

IN WITNESS WHEREOF, Customer and Company have caused this Agreement to be executed, in duplicate, within thirty (30) days from the day and year specified at the beginning of this Agreement. Such execution becomes valid only if this Agreement has been signed by the Parties and returned to the Company within that thirty (30) day period.

Customer and Company have caused this Agreement to be executed, in duplicate, the day and year first above written.

Jersey Central Power & Light Company

Witness/Attest: _____

Signed by: _____
Supervisor

CUSTOMER: Southeast Morris County Municipal
Utilities Authority

Witness/Attest: _____

Signed by: _____

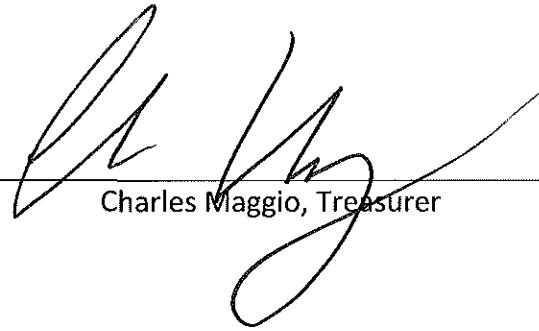
Print Name: _____

Secretary or Treasurer

Vice-President or President

TREASURER'S CERTIFICATION

I hereby certify that there are sufficient funds available (\$28,489.89) for payment of the installation of electric distribution facilities to upgrade electric service at the Authority's Wing Well in the Township of Hanover, New Jersey. This item will be charged to 2016 Pumps, Motors, Control Valves 02-00-500-381.




Charles Maggio, Treasurer

DATED: August 25, 2016

CERTIFICATION

I hereby certify the foregoing to be a true copy of the resolution adopted by The Southeast Morris County Municipal Utilities Authority on Thursday, August 25, 2016, at a meeting duly convened of said Authority.



SIDNEY D. WEISS, Assistant Secretary

Dated: August 25, 2016