

The regular meeting of the Ewing-Lawrence Sewerage Authority was held on Tuesday, May 17, 2016 at 600 Whitehead Road, Lawrenceville, New Jersey 08648.

Present: Messrs. Cermele, Colavita, Geter, Lee and Vereen and S. Robert Filler, Executive Director and Chris Langhart, Esquire of McManimon and Scotland.

Absent and excused: Mr. DiFrancesco.

Also attending: Allan Jacobs of Jacobs Environmental; Timothy Bradley and Felipe Contreras of Kleinfelder, Vance Stephens, ELSA Finance Officer.

Mr. Colavita called the meeting to order and Mr. Filler gave the invocation. After the Pledge of Allegiance, Mr. Colavita advised that all requirements of the Local Public Meetings Act have been met. He also advised that any contracts awarded today would comply with the requirements of P.L. 1975, c. 127 (N.J.A.C. 17:27).

Res. 51:16. On motion of Mr. Geter and seconded by Mr. Cermele the April 19, 2016 minutes were approved as presented

The above resolution was adopted on the following roll call vote:

Ayes: Messrs. Cermele, Colavita, Geter, Lee and Vereen.

Nays: None.

Absent: Mr. DiFrancesco.

Res. 52:16. On motion of Mr. Cermele and seconded by Mr. Vereen it was moved that the April 2016 Flow, Maintenance and Connection Reports be ordered filed.

The above resolution was adopted on the following roll call vote:

Ayes: Messrs. Cermele, Colavita, Geter, Lee and Vereen.

Nays: None.

Absent: Mr. DiFrancesco.

Res. 53:16. On motion of Mr. Geter and seconded by Mr. Vereen the Schedule of Bills in the total amount of \$1,907,242.37 was presented and accepted.

The above resolution was adopted on the following roll call vote:

Ayes: Messrs. Cermele, Colavita, Geter, Lee and Vereen.

Nays: None.

Absent: Mr. DiFrancesco.

There was no public participation.

Mr. Filler updated the Board on the status of the Regional Sludge Facility and advised that their monthly meeting is scheduled for May 18, 2016.

Res. 54:16. On motion of Mr. Cermele and seconded by Mr. Vereen the following resolution was presented for adoption:

RESOLUTION OF THE EWING-LAWRENCE SEWERAGE AUTHORITY DECLARING
ITS OFFICIAL INTENT TO REIMBURSE EXPENDITURES FOR PROJECT COSTS FROM
THE PROCEEDS OF DEBT OBLIGATIONS IN CONNECTION WITH ITS
PARTICIPATION IN THE 2016-2017 NEW JERSEY ENVIRONMENTAL
INFRASTRUCTURE TRUST FINANCING PROGRAM

WHEREAS, The Ewing-Lawrence Sewerage Authority (the "Borrower") is a public body corporate and politic of the State of New Jersey organized pursuant to the sewerage authorities law (N.J.S.A. 40:14A-1 et seq.) (the "Act"); and

WHEREAS, the Borrower intends to acquire, construct, renovate and/or install the environmental infrastructure project more fully described in Exhibit A attached hereto (the "Project"); and

WHEREAS, the Borrower intends to finance the Project with debt obligations of the Borrower (the "Project Debt Obligations") but may pay for certain costs of the Project (the "Project Costs") prior to the issuance of the Project Debt Obligations with funds of the Borrower that are not borrowed funds; and

WHEREAS, the Borrower reasonably anticipates that obligations, the interest on which is excluded from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), will be issued by the New Jersey Environmental Infrastructure Trust (the "Issuer") to finance the Project on a long-term basis by making a loan to the Borrower with the proceeds of the Issuer's obligations (the "Project Bonds"); and

WHEREAS, the Borrower desires to preserve its right to treat an allocation of proceeds of the Project Debt Obligations to the reimbursement of Project Costs paid prior to the issuance of the Project Debt Obligations as an expenditure for such Project Costs to be reimbursed for purposes of Sections 103 and 141 through 150, inclusive, of the Code.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Borrower as follows:

Section 1. The Borrower reasonably expects to reimburse its expenditure of Project Costs paid prior to the issuance of the Project Debt Obligations with proceeds of its Project Debt Obligations.

Section 2. This resolution is intended to be and hereby is a declaration of the Borrower's official intent to reimburse the expenditure of Project Costs paid prior to the issuance of the Project Debt Obligations with the proceeds of a borrowing to be incurred by the Borrower, in accordance with Treasury Regulations §150-2.

Section 3. The maximum principal amount of the Project Debt Obligations expected to be issued to finance the Project is \$4,800,000.00.

Section 4. The Project Costs to be reimbursed with the proceeds of the Project Debt Obligations will be "capital expenditures" in accordance with the meaning of Section 150 of the Code.

Section 5. No reimbursement allocation will employ an "abusive arbitrage device" under Treasury Regulations §1.148-10 to avoid the arbitrage restrictions or to avoid the restrictions under Sections 142 through 147, inclusive, of the Code. The proceeds of the Project Bonds used to reimburse the Borrower for Project Costs, or funds corresponding to such amounts, will not be used in a manner that results in the creation of "replacement proceeds", including "sinking funds", "pledged funds" or funds subject to a "negative pledge" (as such terms are defined in Treasury Regulations §1.148-1), of the Project Debt Obligations or another issue of debt obligations of the Borrower, other than amounts deposited into a "bona fide debt service fund" (as defined in Treasury Regulations §1.148-1).

Section 6. All reimbursement allocations will occur not later than 18 months after the later of (i) the date the expenditure from a source other than the Project Debt Obligations is paid, or (ii) the date the Project is "placed in service" (within the meaning of Treasury Regulations §1.150-2) or abandoned, but in no event more than 3 years after the expenditure is paid.

Section 7. This resolution shall take effect immediately.

EXHIBIT A

The Project that will be financed consists of: replacement of the solids handling conveyor, effluent water pumps, final clarifier pontoon system, thickened sludge grinders, and valves for the plant water distribution system; replacement of roofing at several buildings; installation of additional yard hydrants and gratings to enhance maintainability, and plant-wide paving.

The cost of the Project will also cover additional costs related primarily to high flows that prevented access to certain portions of the WWP resulting in a schedule delay, and will include all ancillary costs, work and expenses related to the items listed herein.

The above resolution was adopted on the following roll call vote:

Ayes: Messrs. Cermele, Colavita, Geter, Lee and Vereen.

Nays: None.

Absent: Mr. DiFrancesco.

Res. 55:16. On motion of Mr. Cermele and seconded by Mr. Vereen the following resolution was presented for adoption:

**RESOLUTION OF THE EWING-LAWRENCE SEWERAGE AUTHORITY AUTHORIZING
THE EXECUTIVE DIRECTOR AND PROFESSIONALS AND STAFF OF THE
AUTHORITY TO TAKE THE ACTIONS NECESSARY TO OBTAIN ADDITIONAL OR**

SUPPLEMENTAL FINANCING FOR CERTAIN IMPROVEMENTS ON BEHALF OF THE
AUTHORITY AND DETERMINING OTHER MATTERS IN RELATION THERETO.

WHEREAS, the Ewing-Lawrence Sewerage Authority (the “Authority”) is currently implementing certain capital improvements for the benefit of the Authority, including but not limited to, (a) construction of a new UV disinfection facility to enable compliance with a new DCBM effluent limitation, (b) replacement of various equipment and systems that are at or near the end of their useful service life, (c) correcting hydraulic bottlenecks that during severe wet weather conditions can cause the primary clarifiers to overflow, and (d) construction of new preliminary treatment facilities to provide screening of influent wastewater and improved grit removal, and all work necessary and ancillary thereto (the “Initial Project”); and

WHEREAS, the Authority has obtained low-interest loans from the New Jersey Environmental Infrastructure Trust (“NJEIT”) in an amount of \$27,895,071 for the Initial Project, and has received another \$947,467 in principal forgiveness from the NJEIT to finance the Initial Project; and

WHEREAS, it is now anticipated that the total cost of the Initial Project will ultimately be higher than anticipated due in part to a determination by the Authority that the procurement of additional equipment, as set forth in Exhibit A (the “Project”), will ultimately make the Initial Project more viable for the efficient operation of the Authority; and

WHEREAS, the Authority would like to start the application process to obtain additional or supplemental financing from available sources, including the NJEIT, to finance the costs of the Project, and the amount of such financing will be subject to the approval of the Board of Directors of the Authority;

NOW THEREFORE, BE IT RESOLVED BY THE EWING-LAWRENCE SEWERAGE AUTHORITY, as follows:

1. The Executive Director and the professionals and staff of the Authority are directed to take all necessary action to apply for, and obtain additional or supplemental financing for the Project, including financing available through the NJEIT.
2. Such additional or supplemental financing shall not be completed until the amount of such additional or supplemental financing is presented to, and approved by, the Board of Directors.
3. This resolution shall take effect immediately.

EXHIBIT A

The Project that will be financed consists of: replacement of the solids handling conveyor, effluent water pumps, final clarifier pontoon system, thickened sludge grinders, and valves for the plant water distribution system; replacement of roofing at several buildings; installation of additional yard hydrants and gratings to enhance maintainability, and plant-wide paving.

The cost of the Project will also cover additional costs related primarily to high flows that prevented access to certain portions of the WWP resulting in a schedule delay, and will include all ancillary costs, work and expenses related to the items listed herein.

The above resolution was adopted on the following roll call vote:

Ayes: Messrs. Cermele, Colavita, Geter, Lee and Vereen.

Nays: None.

Absent: Mr. DiFrancesco.

Res. 56:16. On motion of Mr. Cermele and seconded by Mr. Geter the following resolution was presented for adoption:

SUPPLEMENTAL BOND RESOLUTION OF THE EWING-LAWRENCE SEWERAGE
AUTHORITY AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$4,800,000
PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, AND ANY NOTES ISSUED IN
ANTICIPATION THEREOF, TO BE ISSUED THROUGH THE NEW JERSEY
ENVIRONMENTAL INFRASTRUCTURE TRUST FINANCING PROGRAM

WHEREAS, on October 13, 1961, The Ewing-Lawrence Sewerage Authority (the "Authority"), a public body corporate and politic of the State of New Jersey organized pursuant to the sewerage authorities law (N.J.S.A. 40:14A-1 et seq.) (the "Act"), adopted a resolution entitled, "Resolution Authorizing and Providing for the Issuance of Sewer Revenue Bonds of the Ewing-Lawrence Sewerage Authority", as amended and supplemented (the "General Bond Resolution" or "Resolution"), providing for the issuance of revenue bonds of the Authority and authorizing the issuance of "Additional Bonds," as such term is herein defined, for the purpose of, among others, raising funds to pay the cost of acquisition or construction of any Project (as defined in the General Bond Resolution), upon the terms and conditions set forth in the General Bond Resolution; and

WHEREAS, in accordance with the provisions of Sections 216 and 217 of the General Bond Resolution, the Authority wishes to authorize a series of Additional Bonds of the Authority, each designated "Sewer Revenue Bonds", (hereinafter referred to as the "Bonds") in the principal amount of not to exceed \$4,800,000 to provide supplemental funding for the financing of the costs of the project described on Exhibit A hereto (the "2016 Project") pursuant to this 2016 Supplemental Resolution (as hereinafter defined); and

WHEREAS, the Bonds shall be of equal rank and priority as any Bonds (as defined in the General Bond Resolution) of the Authority previously issued and any Additional Bonds hereinafter issued by the Authority; and

WHEREAS, the Authority wishes to provide terms and conditions with respect to such Bonds in addition to those which have been previously established under and pursuant to the Resolution and delegate the sale of such Bonds to the Executive Director of the Authority;

NOW THEREFORE, BE IT RESOLVED BY THE EWING-LAWRENCE SEWERAGE AUTHORITY, as follows:

ARTICLE I

General Provisions

Section 101. Short Title. This resolution may hereafter be cited by the Authority and is hereinafter sometimes referred to as the “2016 Supplemental Resolution”.

Section 102. Terms Defined in Resolution. Whenever used or referred to in this 2016 Supplemental Resolution all words and terms which are defined in Section 101 of the resolution of the Authority adopted October 13, 1961 entitled, “Resolution Authorizing and Providing for the Issuance of Sewer Revenue Bonds of the Ewing-Lawrence Sewerage Authority”, as amended and supplemented, shall have the same meanings given to such words and terms, as determined in Section 101 thereof, except to the extent words and terms are defined or shall otherwise be established in Section 103 hereof.

Section 103. Other Definitions. As used or referred to, and unless the context clearly indicates a different meaning or use, in this 2016 Supplemental Resolution:

“2016 Project” shall have the meaning as herein defined;

“2016 Supplemental Resolution” shall have the meaning as herein defined;

“Bonds” means the Authority’s sewer revenue bonds in the principal amount of not to exceed \$4,800,000 and any notes issued in anticipation thereof as authorized under the Resolution;

“Escrow Agreement” means that certain escrow agreement to be entered into by and between the Authority, the Trust, the State and the escrow agent named in such agreement (the “Escrow Agent”), as trustee for the holders of the Bonds being issued pursuant to this 2016 Supplemental Resolution through the Program;

“Financing Documents” means the Trust Loan Agreement, the Fund Loan Agreement and the Escrow Agreement, as defined herein;

“Fund Loan Agreement” means that certain loan agreement to be entered into by and between the Authority and the State, pursuant to the Program;

“Paying Agent” means The Bank of New York Mellon, Woodland Park, New Jersey, as appointed in Section 306 herein;

“Program” means the New Jersey Environmental Infrastructure Trust Financing Program;

“Registrar” means The Bank of New York Mellon, Woodland Park, New Jersey, as appointed in Section 306 herein;

“Resolution” or “General Bond Resolution” means the general bond resolution of the Authority adopted on October 13, 1961 entitled, “Resolution Authorizing and Providing for the Issuance of Sewer Revenue Bonds of the Ewing-Lawrence Sewerage Authority”, as amended and supplemented by various resolutions, including this 2016 Supplemental Resolution;

“State” means the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection, pursuant to the Program;

“Trust” means the New Jersey Environmental Infrastructure Trust;

“Trust Loan Agreement” means that certain loan agreement to be entered into by and between the Authority and the Trust, pursuant to the Program;

“Trustee” means The Bank of New York Mellon, Woodland Park, New Jersey, as appointed in Section 306 herein;

Words importing persons include firms, associations and corporations; and

Words importing the singular number include the plural number and vice versa.

Section 104. Incorporation of Resolution. This 2016 Supplemental Resolution supplements and amends the General Bond Resolution. The General Bond Resolution is incorporated herein by reference thereto.

Section 105. Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this 2016 Supplemental Resolution, on the part of the Authority, the Trust, the State, the Escrow Agent or the Trustee, to be performed should be contrary to law, then such covenant or covenants, agreement or agreements, shall be deemed separable from the remaining covenants and agreements and shall in no way affect the validity of the other provisions of this 2016 Supplemental Resolution or of any Bond.

(End of Article I)

ARTICLE II

Determinations By and Obligations of the Authority

Section 201. Authority for 2016 Supplemental Resolution. This 2016 Supplemental Resolution is adopted pursuant to the Act and the Resolution and the Authority has ascertained and hereby determines that each and every act, matter, thing or course of conduct as to which provision is made in this 2016 Supplemental Resolution is appropriate in order to carry out and effectuate the purposes of the Authority in accordance with the Act and the Resolution to further secure the payment of the principal or redemption price of and interest on the Bonds.

Section 202. Bonds to Constitute Additional Bonds. The Bonds shall constitute Additional Bonds as such term is defined in the Resolution and shall be issued pursuant to and in accordance with the Resolution.

Section 203. Resolution to Constitute Contract. In consideration of the purchase and acceptance of the Bonds by those who shall hold the same from time to time, the provisions of the Resolution shall be deemed to be and shall constitute a contract between the Authority, the Trustee and the holders from time to time of the Bonds; the pledge made in the Resolution and the covenants and agreements herein set forth to be performed by or on behalf of the Authority shall be for the equal benefit, protection and security of the holders of any and all of the Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to the Resolution.

Section 204. Estimated Cost of 2016 Project. The Authority hereby determines that the aggregate estimated Cost (as defined in the Act) of the 2016 Project shall not exceed \$4,800,000, inclusive of any original issue discount, capitalized interest and all reserves (except for funds required to be deposited in the Reserve Fund (as defined in the Resolution), in an amount equal to Maximum Debt Service (as defined in the Resolution)), and excluding any accrued interest on the Bonds.

(End of Article II)

ARTICLE III

Authorization, Purpose, Execution and Issuance of Bonds

Section 301. Authorization and Purpose of the Bonds. The Bonds of the Authority in the principal amount of not to exceed \$4,800,000 are hereby authorized to be issued pursuant to Sections 216 and 217 of the Resolution, such Bonds to be entitled "Sewer Revenue Bonds, Series 2017", or such other title as the Authority may designate. The Bonds are authorized and will be issued to provide funds for the Cost of the 2016 Project.

Section 302. Description of the Bonds; Delegation of Sale of the Bonds.

(A) Term. The Bonds shall be two (2) in number and issued to the State and the Trust, respectively, with interest rates fixed to maturity, shall be dated the date of issuance, shall bear interest at the rate or rates, and shall mature over a term not exceeding August 1, 2040, shall mature on the 15th day of December but shall be payable on February 1 and August 1 in the years and in the amounts as provided for by the Financing Documents and subparagraph (B) of this Section.

(B) Delegation to Issue Bonds. The Authorized Officer (as hereinafter defined) of the Authority is hereby designated as the individual who shall have the power to sell and to award the Bonds (of the same or different series) on behalf of the Authority, to the State and Trust,

respectively, pursuant to the Program, including the power to determine (giving due consideration to the terms and conditions of the preceding paragraph and any applicable rules or restrictions of the Program), among other things (i) the amount of Bonds to be issued, provided such amount does not to exceed \$4,800,000, (ii) the time and the manner of sale of the Bonds and the Escrow Closing (as hereinafter defined) in connection therewith, (iii) the denominations and rate or rates of interest to be borne by the Bonds, and (iv) such other terms and conditions as may be necessary or related to the sale of the Bonds. Such sale, award, terms and conditions of the Bonds issued pursuant to the Program shall be determined and evidenced by the Financing Documents, to be executed by the Authorized Officer on behalf of the Authority, subject to the rules, conditions, maturity schedule and interest rate established by the Program, with respect to the Bond being issued to the Trust, with such interest rate on such Bond being based upon the pass through interest rates received by the Trust in connection with its sale of bonds (plus administrative fees) (the "Trust Loan Bond"), combined with the cash funds received from the State in connection with the Program, with respect to the Bond being issued to the State (the "Fund Loan Bond"). Such sale and award provisions of the Bonds, as set forth herein, may be further evidenced by a certificate of the Authorized Officer (the "Certificate"), executed as of the date of sale and award of the Bonds. The Certificate is hereby deemed to satisfy the requirements of Section 217(A)(3) of the General Bond Resolution. The Financing Documents and the Certificate, to the extent one is required, shall be presented by the Executive Director to the Members of the Authority at the next regular meeting of the Authority following such sale and award as evidence of the terms and details of the sale of such Bonds.

(C) Execution of the Financing Documents. The Financing Documents are hereby authorized to be executed and delivered in connection with the Program. Such Financing Documents may be executed and delivered on behalf of the Authority by either the Chairman, the Vice Chairman, or the Executive Director (each an "Authorized Officer"), in their respective sole discretion, after consultation with counsel and any advisors to the Authority (collectively, the "Authority Consultants"), and after further consultation with the Trust, the State and their representatives, agents, counsel and advisors (collectively, the "Program Consultants", together with the Authority Consultants, the "Consultants") shall determine, with such determination to be conclusively evidenced by the execution of such Financing Documents by an Authorized Officer as determined hereunder. The Secretary or Assistant Secretary of the Authority is hereby authorized to attest to the execution of the Financing Documents by an Authorized Officer of the Authority as determined hereunder, and to affix the corporate seal of the Authority to such Financing Documents.

(D) Escrow Closing. The Authorized Officers of the Authority are hereby authorized to execute the Financing Documents and any additional certificates and opinions as may be required by the Program or Bond Counsel to the Authority, as further described in subsection (F) herein (together, the "Escrowed Documents") on or before the date when the Authority is scheduled to close the loans in escrow with the Program (the "Escrow Closing"), such Escrowed Documents to be delivered to Bond Counsel to the Authority and held by Bond Counsel to the Authority until such time as an Authorized Officer of the Authority authorizes release of same. Bond Counsel to the Authority is hereby authorized to accept and hold the Escrowed Documents in escrow on or before the Escrow Closing and to release same from escrow and deliver same upon direction of an Authorized Officer of the Authority.

(E) Form of Bonds. The Bonds shall be in substantially the form described and contained in the General Bond Resolution, with such changes as may be required by the Financing Documents.

(F) Further Authorizations. The Authorized Officers of the Authority are hereby further severally authorized to (i) execute and deliver, and the Secretary or Assistant Secretary of the Authority is hereby further authorized to attest to such execution and to affix the corporate seal of the Authority to, any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Officers, the Secretary or Assistant Secretary of the Authority, as applicable, in their respective sole discretion, after consultation with the Consultants, to be executed in connection with the execution and delivery of the Financing Documents and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such certificate or other document by the party authorized hereunder to execute such certificate or other document, and (ii) perform such other actions as the Authorized Officers deem necessary, desirable or convenient in relation to the execution thereof.

Section 303. Issuance of the Bonds and Application of Proceeds of Sale. The Bonds authorized by Section 301 herein, are hereby directed to be executed by or on behalf of the Authority by its Authorized Officer and delivered to the State and the Trust, respectively. All of the proceeds of sale of the Bonds, including accrued interest (if any) received upon delivery thereof, shall, simultaneously with the issuance of the Bonds, be paid and applied by the Authority in accordance with the Resolution and the Financing Documents and as provided in an Order of the Authority executed by the Chairman or the Executive Director of the Authority consistent with the General Bond Resolution and the Financing Documents.

Section 304. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or the interest on the Bonds or for any claim based thereon or on this 2016 Supplemental Resolution or the General Bond Resolution against any member or other officer of the Authority or any person executing the Bonds. The Bonds are not and shall not be in any way a debt or liability of the State of New Jersey or of any county or municipality and do not and shall not create or constitute any indebtedness, liability or obligation of said State or of any county or municipality, either legal, moral or otherwise.

Section 305. Execution of Bonds. The Chairman and/or the Executive Director of the Authority is hereby authorized to execute by the manual or facsimile signature the Bonds in the name and on behalf of the Authority attested by the manual or facsimile signature of its Secretary.

Section 306. Appointment of Trustee, Paying Agent and Registrar. In accordance with the provisions of Article IX of the Resolution, The Bank of New York Mellon, Woodland Park, New Jersey (the "Bank") is hereby appointed Trustee (the "Trustee"), Paying Agent (the "Paying Agent"), and Registrar (the "Registrar") for the Bonds. The Bank shall accept and shall carry out its duties and obligations as Trustee, Paying Agent and Registrar as provided in and as required by the terms of the Resolution.

(End of Article III)

ARTICLE IV

Miscellaneous

Section 401. Covenant of Authority as to Compliance with Federal Tax Matters. The Authority hereby covenants that it will take all actions within its control that are necessary to assure that interest on the Bonds is excludable from gross income under the Internal Revenue Code of 1986, as amended (the "Code") and the Authority will refrain from taking any action that would adversely affect the exclusion of interest on the Bonds from gross income under the provisions of the Code.

Section 402. Effective Date. This resolution shall take effect immediately.

(End of Article IV)

EXHIBIT A

The Project that will be financed consists of: replacement of the solids handling conveyor, effluent water pumps, final clarifier pontoon system, thickened sludge grinders, and valves for the plant water distribution system; replacement of roofing at several buildings; installation of additional yard hydrants and gratings to enhance maintainability, and plant-wide paving.

The cost of the Project will also cover additional costs related primarily to high flows that prevented access to certain portions of the WWP resulting in a schedule delay, and will include all ancillary costs, work and expenses related to the items listed herein.

The above resolution was adopted on the following roll call vote:

Ayes: Messrs. Cermele, Colavita, Geter, Lee and Vereen.

Nays: None.

Absent: Mr. DiFrancesco.

Mr. Filler reported that bids were received on May 4, 2016 for Maintenance, Emergency Repair Service and/or Replacements of Instrumentation. Only one bid was received as follows:

ABB Automation, Inc.	\$1,280.00 per monthly inspection
Warminster, PA	\$640.00 per quarterly inspection
	\$144.00 labor (regular rate)
	\$144.00 labor (overtime)
	\$144.00 labor (double time)
	10% Material Handling Charge
	\$24,400.00 Estimated Annual Cost

Mark Colavita recommends that the contract be awarded to ABB Automation, Inc. as the lowest, responsible, responsive bidder.

Res. 57:16. On motion of Mr. Geter and seconded by Mr. Cermele it was moved that the contract for Maintenance of Instrumentation be awarded to ABB, Inc. of Warminster, PA for a one-year period in accordance with their bid received May 4, 2016 as the lowest, responsible, responsive bidder.

The above resolution was adopted on the following roll call vote:

Ayes: Messrs. Cermele, Colavita, Geter, Lee and Vereen.

Nays: None.

Absent: Mr. DiFrancesco.

Approval of the indoor recreational facility project proposed for 1060 Spruce Street was postponed until the June meeting.

Mr. Bradley recommended that the Authority approve the following resolution, as previously discussed, in preparation of the final approval of Change Order No. 5 to the contract with PACT Two LLC for the Wastewater Treatment Plant Upgrade. Mr. Filler concurred with Mr. Bradley's recommendation.

Res. 58:16. On motion of Mr. Cermele and seconded by Mr. Vereen the following resolution was presented for adoption:

Resolution of the Ewing-Lawrence Sewerage Authority authorizing an Amendatory Contract to be entered into for Change Order No. 5 to the WWTP Upgrade Project

WHEREAS, the Ewing-Lawrence Sewerage Authority ("ELSA") entered into a contract with PACT Two LLC in the amount of \$22,743,000 to construct the WWTP Upgrade Project; and

WHEREAS, Change Order No. 5 has been submitted by PACT Two LLC in the amount of \$4,072,514.70 for Critical Additional Improvements, Non-Awarded Bid Items, and Compensatory Time Extension; and

WHEREAS, the cost of Change Order No. 5 will increase the total contract amount in excess of the 20% limitation established by the New Jersey Local Public Contracts Law, N.J.A.C. 5:30-11.9; and

WHEREAS, the New Jersey Local Public Contract Law requires a certification and factual justification for approving change orders that cause the 20% limitation to be exceeded; and

WHEREAS, by Certification dated May 12, 2016, PACT Two LLC has prepared the required certification and factual justification; and

WHEREAS, by letter dated May 12, 2016, the engineer for ELSA, Kleinfelder, has recommended approval of Change Order No. 5 and as designee of the ELSA Executive Director has requested that Change Order No.5 be approved by ELSA; and

WHEREAS, the New Jersey Local Public Contract Law requires that the governing body shall pass a resolution authorizing a written amendatory contract to be entered into covering Change Order No. 5 before execution of Change Order No.5, and

WHEREAS, the Ewing-Lawrence Sewerage Authority has submitted a Supplemental Loan Application to the New Jersey Infrastructure Financing Program for the additional costs associated with Change Order No. 5.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF EWING-LAWRENCE SEWERAGE AUTHORITY AS FOLLOWS:

1. That the Ewing-Lawrence Sewerage Authority authorizes a written amendatory contract to be entered into covering Change Order No. 5.
2. Funds for Change Order No. 5 will be provided through the New Jersey Environmental Infrastructure Financing Program.

The above resolution was adopted on the following roll call vote:

Ayes: Messrs. Cermele, Colavita, Geter, Lee and Vereen.

Nays: None.

Absent: Mr. DiFrancesco.

On behalf of Mayor Steinman Mr. Lee asked what would be required by the Authority to handle proposed development in West Trenton. Mr. Filler advised that a study was done several years ago regarding upgrading of the Sullivan Way Pump Station. At that time it was determined that additional property (approximately 1/3 of an acre plus access) would be needed since the Authority has no land to expand the existing station and approximately \$3,500,000 for the pump station upgrade (updated to approximately \$4,000,000 today).

Mr. Jacobs reported that the Princeton Pike sewer lining job is complete. The original contract with SAK was for \$259,200. The cost for Lawrence Township Police was over budget by \$3,600 but engineering was under by \$5,000.

Res. 59:16. On motion of Mr. Cermele and seconded by Mr. Lee and unanimously carried, the meeting was adjourned at 12:32 P.M.

Charles Geter, Secretary