

RESOLUTION # 11-059

RESOLUTION AUTHORIZING EXECUTION OF SLUDGE DISPOSAL
INTERLOCAL SERVICES AGREEMENT

WHEREAS, the Rockaway Valley Regional Sewerage Authority (RVRSA) is authorized pursuant to the Interlocal Services Act, N.J.S.A. 40:8A-1 et. seq., to enter into a contract with any other local unit for the provision of any service which that local unit is empowered to render within its own jurisdiction; and

WHEREAS Passaic Valley Sewerage Commission (PVSC) is a local unit operating a sludge incineration facility and is empowered to render sludge disposal services and has the capacity for additional sludge treatment and disposal on site; and

WHEREAS, the RVRSA desires to have the sludge from the aforesaid plant treated and disposed of by PVSC; and

WHEREAS, PVSC is willing to accept, treat and dispose of RVRSA's sludge; and

WHEREAS, RVRSA wishes to execute a sludge disposal interlocal services agreement with PVSC pursuant to the terms set forth in the attached Interlocal agreement, Sludge Disposal Contract; and

NOW, THEREFORE, BE IT RESOLVED by the Rockaway Valley Regional Sewerage Authority, as follows:

1. The Executor Director is authorized and directed to execute an Agreement substantially in the form annexed hereto subject to such modifications as may be negotiated between the parties which do not modify the terms thereof in any significant respect.

2. This Resolution shall take effect immediately.

I hereby certify that the foregoing Resolution was adopted at Regular Meeting of the RVRSA held on September 08, 2011

On motion of Hector Schorno

Seconded by John Cegelka

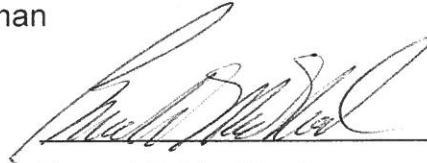
And approved on a roll call vote as follows:

Yeas: (7) Cegelka, Guadagno, Lowell, MacNeal, Schaefer, Schorno, Secco.

Nays: (0) None

Abstain: (0) None

Absent: (3) Corbett, Klingener, Schulman

A handwritten signature in black ink, appearing to read "Bruce W. MacNeal", written over a horizontal line.

Bruce W. MacNeal
Secretary

INTERLOCAL AGREEMENT

SLUDGE DISPOSAL CONTRACT
Rockaway Valley Regional Sewerage Authority

THIS AGREEMENT made this day of , 2011

BETWEEN: THE PASSAIC VALLEY SEWERAGE COMMISSIONERS, public corporation of the State of New Jersey (hereinafter referred to as "PVSC");

AND: Rockaway Valley Regional Sewerage Authority, a public body corporate and politic organized and existing under the Sewerage Authorities Law, constituting Chapter 138 of the Pamphlet Laws of 1946 of the State of New Jersey, located at 99 Greenbank Road, in the Township of Parsippany Troy-Hills, County of Morris, having mailing address at:

99 Greenbank Road
Boonton, NJ 07005-9602

(hereinafter referred to as the "CUSTOMER").

W I T N E S S E T H:

WHEREAS, PVSC owns and operates a wastewater treatment facility located in Newark, New Jersey, generally referred to as the PVSC Wastewater Treatment Plant; and

WHEREAS, the PVSC Wastewater Treatment Plan has waste disposal facilities and capabilities; and

WHEREAS, the CUSTOMER, owns and operates a Publically Owned Treatment Works (POTW) and a Regional Interceptor System under NJPDES #NJ0022349; and is a Generator of Waste Activated Sludge (hereinafter referred to as "sludge") from its POTW, and desires to have the sludge treated and disposed of by PVSC; and

WHEREAS, PVSC is agreeable to treatment and disposal of the sludge of the CUSTOMER subject to certain terms and conditions including terms for the fixing of fees for treatment and disposal of the sludge and other related matters;

NOW, THEREFORE, in consideration of these premises and of the mutual covenants and agreements herein set forth, and of the undertakings of each party to the other, the parties hereto, each binding itself, its successors and assigns, do mutually covenant, promise and agree as follows:

Section 1. GENERAL SCOPE OF THE AGREEMENT

The CUSTOMER agrees to deliver its non-hazardous sludge at no cost to PVSC to the point of connection to PVSC's system at the PVSC Sludge Receiving facility, as designated by PVSC. If CUSTOMER utilizes a hauler to deliver its sludge, the hauler must be approved by PVSC pursuant to its procedures. If the lowest responsible bidder of CUSTOMER for the performance of hauling services fails to obtain the approval of PVSC, CUSTOMER shall have a right to terminate this Agreement upon fifteen (15) days written notice. If CUSTOMER is not the generator of the sludge being delivered to PVSC pursuant to this Agreement, CUSTOMER shall deliver to PVSC, prior to the delivery of any sludge, an executed Consent of Generator the form of which is annexed hereto as Exhibit A. The non-hazardous waste shall meet all of PVSC Standards, including the applicable sections of PVSC's Rules and Regulations, and it shall not be detrimental to PVSC's treatment plant. The PVSC will accept the non-hazardous sludge from the CUSTOMER subject to the limitations as set forth in Section 2 and the CUSTOMER will pay for the treatment of the sludge in the amount and manner set forth hereinafter. The terms non-hazardous sludge, and sludge shall be deemed synonymous whenever they appear in this Agreement.

Section 2. TREATMENT OF THE CUSTOMER'S NON-HAZARDOUS SLUDGE AND SERVICE CHARGES TO BE LEVIED THEREFORE

(a). The CUSTOMER expressly warrants and guarantees that it will deliver to PVSC 100% of its total production of sludge during the term of this Agreement, unless PVSC cannot accept the same. Provided that PVSC can accept 100% of its total production sludge, the CUSTOMER agrees that PVSC shall be the exclusive and sole provider of treatment and disposal of CUSTOMER'S sludge during the term of this Agreement. The CUSTOMER agrees that if it does not deliver 100% of its total sludge production, it will pay PVSC for any sludge production not delivered at the rate specified in this Agreement, unless PVSC cannot accept the same. The PVSC agrees to accept, treat and dispose of the non-hazardous sludge delivered by CUSTOMER to PVSC during the term of this Agreement or any extension of it based on the description provided in the attached CUSTOMER'S application.

(b). The CUSTOMER shall not, however, discharge into the PVSC's system;

1. Any prohibited waste as defined by Section 312 or any other of PVSC's Rules and Regulations.

2. Any, ashes, cinders, sand, mud, stones, rocks, straw, shavings, metal, glass, rags, feathers, tar, wood or any other solid or viscous substance capable of causing obstruction to flow in pipes or other interference with the property operation of the sewage works.

3. Any sludge with a pollutant content greater than contained in the US EPA's 40 CFR 503 regulations.

4. Any sludge which is Hazardous as defined by USEPA, NJDEP and/or any other regulatory agency.

5. Mixtures of the approved sludge, as defined in the CUSTOMER's Application, with any other waste.

6. Any sludge which exceeds the maximum percent total solids contained in Schedule A hereof.

(c). PVSC reserves the right to sample any delivery for any parameter before or during discharge.

(d). PVSC reserves the right to reject a delivery if information reveals that the introduction of the contents may negatively impact the operation of the PVSC system and the RVRSA shall not be obligated to pay for the disposal of any delivery rejected by PVSC.

(e). In consideration for the treatment and disposal of the sludge by PVSC, the CUSTOMER agrees to pay PVSC at the thousand gallon rate specified in Schedule A hereof (the "Rate"). PVSC shall have the right to adjust the Rate annually upon forty five (45) days notice which notice, shall be given not less than ninety (90) days before December 31st of any year of this Agreement effective on January 1 following the notice. **Unless CUSTOMER notifies PVSC of its intention to terminate this Agreement, not later than thirty (30) days prior to December 31st of the current year of this Agreement, CUSTOMER shall be deemed to have agreed to the increased Rate. In the event CUSTOMER does notify PVSC of its intention to terminate this Agreement, pursuant to this provision, such termination shall be effective on the ensuing June 30th.** The termination shall in no way relieve the CUSTOMER'S obligation to pay any outstanding charges then due and owing or to become due and owing.

(f). PVSC shall base its charges for sludge deliveries, upon full truckloads, regardless of whether a full truckload is actually delivered to PVSC's treatment plant. At PVSC's option it may require CUSTOMER to provide Certified Scale Weight Tickets to confirm the volume. The sludge will be delivered at the sole cost of the CUSTOMER to PVSC's plant by a tank truck provided with either a gravity discharge or a self-contained pump capable of discharging the sludge through approximately 10 feet of a 4 or 6 inch discharge hose to the at grade connection or other designated discharge point.

Section 3. PAYMENT AND TERM OF AGREEMENT

(a). PVSC shall bill the CUSTOMER monthly for charges due on this Agreement. The charges shall be payable upon receipt by the CUSTOMER of the monthly bill. Interest shall accrue at the rate of one and one half percent (1½%) per month on charges not paid within ninety (90) days of the billing date.

(b). The CUSTOMER, will in each fiscal year make all budgetary and other provisions or appropriations necessary to provide for or authorize the payment to the PVSC during such fiscal year to the annual payments due hereunder.

(c). If the CUSTOMER defaults in any of its obligations of the terms of this Agreement, PVSC may terminate the services provided hereunder forthwith, provided that such termination shall in no way relieve the CUSTOMER'S obligation to pay any outstanding charges then due and owing or to become due and owing. If payment is not made by the CUSTOMER timely, PVSC shall be entitled to be reimbursed for costs of collection, including reasonable attorney fees.

(d). It is expressly agreed and understood that the CUSTOMER is solely a contract customer of PVSC and shall acquire by this Agreement no ownership, capital, property rights or equity in the system or plant of PVSC whatsoever, nor shall the CUSTOMER acquire by this Agreement any rights, express or implied, to participate in any way in the operation or the administration of PVSC, or participate in any capacity in any agreements or proceedings concerning the acquisition, sale, lease or any other imposition of PVSC's property, including but not limited to participation in eminent domain proceedings.

(e). The term of this Agreement shall commence on the date the Agreement is executed and, unless sooner terminated in accordance with its terms, shall expire three (3) year(s) from the date of execution. If upon the expiration of this Agreement, PVSC continues to provide service and the CUSTOMER continues to dispose of the sludge at PVSC, then and in such events, the terms of this Agreement shall bind the parties for all services provided post-expiration of this Agreement.

(f). Anything contained in this Agreement to the contrary notwithstanding, if the New Jersey Department of Environmental Protection (NJDEP), or any other governmental agency having jurisdiction over PVSC or the subject matter of this Agreement, institutes a District Sludge Management Plan, or other plan of similar nature, which makes this Agreement unenforceable by its terms, then this Agreement shall terminate within sixty (60) days of implementation of the Plan. If the Plan renders any provision of this Agreement unenforceable, or requires changes and modifications in the Agreement which PVSC is unwilling to accept, then PVSC reserves the right to terminate this Agreement on sixty (60) days notice.

(g). Anything in this Agreement to the contrary notwithstanding, PVSC shall have the absolute right to terminate this Agreement or suspend deliveries if PVSC determines, in its sole and absolute discretion, that it does not have the capacity to treat the sludge to be delivered pursuant to this Agreement or if the treatment of such sludge will or has caused PVSC to violate its current permit under which it operates its facility and the violation cannot be corrected or removed despite PVSC's good faith efforts to do so. The termination or suspension provided for in this Agreement shall be on seven (7) days written notice to CUSTOMER. CUSTOMER expressly agrees that PVSC will incur no liability of any kind in exercising its right to terminate or suspend the Agreement pursuant to this provision. The aforementioned capacity limitation shall not apply to the extent caused, or contributed to, by PVSC's Agreements with other entities regarding the acceptance of waste that are executed subsequent to this Agreement.

Section 4. ENFORCEMENT

(a). If the CUSTOMER violates any of the terms of this Agreement, including but not limited to the limitations set forth in Section 2 (b), upon written notice of the failure of a party to observe and perform any condition in this Agreement, and continuance of such failure for a period of 30 days after receipt by the defaulting party of written notice from the non-defaulting party specifying the nature of such failure and requesting that such failure be remedied, PVSC may terminate services provided hereunder forthwith and refuse to accept the sludge into its system, provided that such termination shall in no way relieve the CUSTOMER'S obligation to pay any outstanding charges then due and owing or to become due and owing or constitute a waiver of any of PVSC's rights to enforce this Agreement.

(b). In addition to its right of termination, PVSC reserves the right to institute such measures as contained in PVSC's Rules and Regulations including, but not limited to, Section 601 Authority, Violations, etc.

(c). In the event any sludge discharged by the CUSTOMER to PVSC'S system does not meet the requirements of Section 2 (b), or any other provision of this Agreement or provisions or regulation of any governmental agency having jurisdiction, and causes unusual maintenance or operating costs to PVSC, or causes PVSC to incur any fines or penalties for violation of any USEPA, NJDEP or other governmental agency law, rule or permit, then in any such case, the CUSTOMER shall reimburse PVSC in full for such additional costs incurred, or fines or penalties assessed. Provided, however, that CUSTOMER shall not incur any liability under this subsection unless PVSC can reasonably demonstrate that the CUSTOMER, or its agents, or its sludge was the cause of the unusual maintenance, operating costs, or fine or penalty, and in no event shall CUSTOMER be responsible for reimbursement of any amount unreasonably incurred. Nonpayment of any costs or fines and penalties shall constitute a default of this Agreement.

Section 5. COVENANT BY PVSC

PVSC shall use reasonable diligence and care to provide sludge treatment service at its sewage treatment plant for the use of the CUSTOMER. PVSC shall not be liable for any failure to provide the services which are the subject of this Agreement, or for any interruption, or loss or damage resulting therefrom occasioned in whole or in part by any cause beyond the reasonable control of PVSC or any cause considered an event of force majeure.

PVSC shall not be responsible for any interruption or cessation of services due to the action of any governmental agency having jurisdiction over PVSC. If PVSC is unable to provide the service under the terms of this Agreement because of failure to obtain the necessary approval or licenses from the governmental agencies having jurisdiction over PVSC, then this Agreement shall become null and void.

Section 6. INDEMNIFICATION

The CUSTOMER agrees to indemnify and save PVSC harmless from all damages and claims for damages, actual or alleged, suits, recoveries, judgments or executions (including costs, expenses and reasonable attorney's fees) which may be made, had, brought or recovered by reason of injury for and including death resulting therefrom, to any person, or damage to the property of and person arising out of the making and performance of this Agreement provided that this indemnification shall not apply to any damages and claims for damages, arising from the negligence of PVSC, its agents or employees. This Agreement shall be made a part of the CUSTOMER's Comprehensive General Liability Policy, and PVSC shall also be designated as an additional named insured on such policy.

Section 7. INSURANCE

The CUSTOMER shall, at its own cost and expense, obtain and maintain for the life of the contract, and shall cause its subcontractors to obtain and maintain for the life of their subcontracts, all statutory insurance such as worker's compensation, bodily injury liability and property damage liability insurance and automobile and truck bodily injury liability and property damage insurance to be provided in not less than the following amounts:

- | | | |
|------|--|-------------|
| (a). | Injury or death to one person | \$1,000,000 |
| (b). | Injury or death to more than one person or more than a single Occurrence | \$2,000,000 |
| (c). | Property damage | \$1,000,000 |
| (d). | Property damage on account of all occurrences | \$2,000,000 |

The CUSTOMER shall have PVSC named as an additional insured on its policy for coverages required by this Agreement, and a certificate of insurance evidencing the required insurance shall be filed by the CUSTOMER with the Executive Director of PVSC. If the CUSTOMER is self-insured, the CUSTOMER shall provide PVSC proof of its self-insurance, and provide a Certificate of Self-Insurance as required by this Section.

Section 8. GOVERNING LAW AND VENUE

This Agreement shall be deemed to be executed in the state of New Jersey, regardless of the domicile of the CUSTOMER and generator, and shall be governed by and construed in accordance with the laws of the State of New Jersey.

The Parties agree that any and all claims asserted by PVSC arising under this Agreement, or related thereto, shall be heard and determined either in the courts of the United States located in New Jersey or in the courts of the State of New Jersey located in Essex County, New Jersey. The parties further waive all rights to trial by jury.

Section 9. ASSIGNMENT PROHIBITED

No assignment or transfer of this Agreement or resale of the services provided hereunder shall be made without the express written consent of PVSC, and the CUSTOMER shall not permit any use or benefit to be made of this Agreement by any other party.

Section 10. TESTING AND MONITORING

(a). The CUSTOMER shall be responsible for sludge sampling, testing, reporting or other requirement of the NJDEP and the USEPA and for the cost thereof, for monitoring for sludge quality parameters, including heavy metals and toxic organic chemicals, copies of the sludge analysis reports sent to NJDEP, USEPA and/or any other governing agency by the generator for sludge quality parameters, shall be filed with PVSC within thirty (30) days of their submission to the regulatory agency(s).

(b). The CUSTOMER shall maintain such records as necessary to demonstrate compliance with the requirements of this Agreement, PVSC's Rules and Regulations and any applicable State and Federal pretreatment standard or requirement. All records and information resulting from any monitoring activities required by this Agreement, including all records of analysis performed, shall be retained for a minimum of five years.

Section 11. SPILLAGE

Any spillage caused by the CUSTOMER, his hauler or his equipment while on PVSC property, shall be the CUSTOMER'S responsibility to properly clean up at the CUSTOMER'S expense. The clean up shall meet all Federal and State requirements and regulations, including supplying all documentation.

Section 12. COMMUNICATION

Verbal communication by the CUSTOMER shall not be accepted and no representative, agent or employee of PVSC is authorized to accept any verbal communication from the CUSTOMER to vary, alter or modify the terms of this Agreement. Similarly, no representative, agent, or employee of PVSC has been authorized to make any representations or to vary, alter or modify the terms hereof. No additions, changes or modifications, renewals or extensions hereof, shall be binding unless reduced to writing and signed by the CUSTOMER and PVSC.

Written communications to PVSC shall be sent to:
Michael J. Urbanski, P.E. – Liquid Waste Acceptance Administrator
PVSC – 600 Wilson Avenue, Newark, NJ 07105

Written communication to CUSTOMER shall be sent to;
Edward K. Ho, P.E. – Executive Director
RVRSA – 99 Greenbank Road, Boonton, NJ 07005-9602

Section 13. RE-APPLICATION

If this Agreement is renewed or extended, the CUSTOMER shall submit a complete PVSC Application including all required laboratory analysis. In addition, CUSTOMER or generator shall certify annually to PVSC that there has been no “significant change” in waste as defined in PVSC’s Rules and Regulations. Failure to submit a complete Application or certify annually shall constitute a CUSTOMER default of this Agreement.

IN WITNESS WHEREOF, PVSC and the CUSTOMER have caused their respective corporate seals to be hereto affixed and attested and these presents to be signed by their respective officers duly authorized, and this Agreement to be dated as of the date first above written.

PASSAIC VALLEY SEWERAGE COMMISSIONERS

ATTEST: THOMAS J. FLANAGAN
Chief Administrative Officer

By: _____
WAYNE J. FORREST
Executive Director

ROCKAWAY VALLEY REGIONAL SEWERAGE AUTHORITY

ATTEST: BRUCE W. MACNEAL
Board Secretary

By: _____
EDWARD K. HO, P.E.
Executive Director

SCHEDULE A

ROCKAWAY VALLEY REGIONAL SEWERAGE AUTHORITY – 2011

Maximum Percent Total Solids 8.00%

Price Per Thousand Gallons \$43.00