

CITY COUNCIL**The City of Orange Township, New Jersey**DATE March 7, 2023NUMBER 132-2023**TITLE:**

A RESOLUTION AUTHORIZING THE CITY OF ORANGE TOWNSHIP (“OWNER”) TO ENTER INTO A ONE-YEAR EXTENSION AGREEMENT WITH VEOLIA WATER CONTRACT OPERATIONS USA, INC. FORMALLY KNOWN AS SUEZ WATER ENVIRONMENTAL SERVICES INC. (“COMPANY, AND TOGETHER WITH OWNER, THE “PARTIES”) TO PROVIDE CONTINUING OPERATION AND MAINTENANCE OF THE WATER SUPPLY, TRANSMISSION AND DISTRIBUTION SYSTEM, WASTEWATER COLLECTION SYSTEM, STORM WATER SYSTEM, AND CUSTOMER SERVICE, BILLING AND COLLECTION SYSTEM COMMENCING MARCH 1, 2023 THROUGH FEBRUARY 29, 2024 IN AN AMOUNT NOT TO EXCEED \$3,400,000 WITH AN OPTION FOR AN ADDITIONAL TWO, ONE YEAR EXTENSIONS

WHEREAS, the City of Orange Township entered into an agreement with U.S. Water, Inc., effective May 1, 2003, for the operation and maintenance of the Orange Water Services including the water supply, transmission and distribution system, wastewater collection system, storm water system and customer service, billing and collections (“water agreement”); and

WHEREAS, U.S. Water Inc. was subsequently acquired by SUEZ Water Environmental Services; and

WHEREAS, Veolia Water Contract Operations USA, Inc. (Veolia) acquired SUEZ in 2022; and

WHEREAS, Veolia took over the prior water agreement as part of its acquisition of SUEZ; and

WHEREAS, the water agreement between the City of Orange Township and Veolia had an initial term of ten years for the operation and maintenance of the Orange Water Services which expired on April 30, 2013 and has two five-year applicable extension periods; and

WHEREAS, Veolia has continued to provide operation and maintenance services to the City since the expiration of the prior water agreement’s initial ten-year term; and

WHEREAS, the Parties entered into a Contract Operations, Maintenance and Management Services Agreement (“Agreement”) on February 9, 2018 with a commencement date of February 9, 2018 authorized by Resolution 424-2017 on December 19, 2017 for a three years term; and

WHEREAS, the Parties subsequently executed a First Addendum to the Agreement on February 9, 2021, which extended the term and modified pricing components of the Agreement authorized by Resolution 382-2020 on September 15, 2020; and as well as a Memorandum of Understanding on March 1, 2022 which was agreed to in order to resolve certain payment issues

WHEREAS, the Parties then executed a Second Addendum on May 18, 2022 which extended the term and further modified pricing components of the Agreement authorized by Resolution 315-2021 on June 15, 2021 and

WHEREAS, the Agreement expired on February 8, 2023 and was extended by a Third Emergency Addendum, which is set to expire on February 28, 2023; and

WHEREAS, the contract between the City of Orange Township and Veolia located at 461 From Road, Suite 400, Paramus, New Jersey 07652, for municipal Contract Water Utility Operations, Maintenance and Management will expire February 28, 2023; and



WHEREAS, the Parties desire to once again amend the Agreement to provide an extension of the Agreement's term and to modify pricing components and shall be the Fourth Addendum extending the term from March 1, 2023 to February 29, 2024 and modifying pricing components; and

WHEREAS, the Department of Environmental Protection requires that an agreement be executed to ensure the continued operation and maintenance services of the City of Orange Township water service to the public; and

WHEREAS, it is anticipated that it will take up to an additional one year period to properly award the municipal contract water utility operations, maintenance, and management services; and

WHEREAS, the current contractor, Veolia has agreed to obtain an extension of its performance bond; and

WHEREAS, the Chief Financial Officer of the City of Orange Township has prepared the necessary Certificate of Availability of Funds, a copy of which is attached hereto, certifying that funds will be available for this purpose in Account No. 3-05-55-502-192-528, contingent upon Council approval and inclusion of said item in the Temporary Budget and adopted 2023 Budget, there will be sufficient funds to contract with Veolia.

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF ORANGE TOWNSHIP

1. The one-year extension of the agreement (Fourth Addendum) with Veolia commencing March 1, 2023 through February 29, 2024 in an amount not to exceed \$3,400,000 is hereby authorized with two options, each for an additional one year extension.
2. The Mayor or his designee is authorized to execute any necessary documents to evidence and memorialize the contract extension(s) set forth in paragraph 1.

Adopted:

Joyce L. Lanier
City Clerk

Tency A. Eason
Council President

CITY OF ORANGE TOWNSHIP
FINANCE DEPARTMENT

CERTIFICATION OF FUNDS
NEXT WATER OPERATING BUDGET

I, Nile Clements, Chief Financial Officer for the City of Orange Township, do hereby confirm that based on the Quote or RFP, RFQ, bid results or "extraordinary unspecifiable services" without competitive bids for 2023 service contract, and the resolution to be presented to the Council for approval, and contingent upon Council approval and inclusion of said item in the Temporary Budget and adopted 2023 & 2024 Budget, there will be sufficient funds to contract with:

Vendor Name: Veolia Water
Operations USA, Inc.FKA SUEZ

Address: P.O. BOX 28895

City: Chicago
State: Illinois
Zip Code: 60673-8895

Purpose: Extension of Water Utility Operating & Maintenance Services

Vendor ID: UNITE010

Fund: Water Operating Fund
Line Description WTR - Water Operating - Contractual Services
Account Numbers(s): CY'23 3-05-55-502-192-528 \$ 3,400,000.00

Purchase Order # : 23-00134

Amount not to exceed: \$ 3,400,000.00

Division Head

Date

Nile Clements

3/1/2023

Chief Financial Officer

Date

Fourth Addendum to Contract Operations, Maintenance and Management Services Agreement

This Fourth Addendum to the Contract Operations, Maintenance and Management Services Agreement ("4th Addendum"), effective as of _____, 2023 (the "Effective Date"), is made by and between the City of Orange Township, a municipal corporation of the State of New Jersey ("Owner") and Veolia Water Contract Operations USA, Inc. f/k/a SUEZ Water Environmental Services Inc. ("Company", and together with Owner, the "Parties").

RECITALS

WHEREAS, the Parties entered into a Contract Operations, Maintenance and Management Services Agreement ("Agreement") on February 9, 2018, with a Commencement Date of February 9, 2018; and a termination date of February 8, 2021; and

WHEREAS, the Parties subsequently extended the term of the Agreement via a First Addendum to Contract Operations, Maintenance and Management Services Agreement which was set to expire on February 8, 2022 which was then further extended via a separate Memorandum of Agreement through May 8, 2022 followed by a Second Addendum to Contract Operations, Maintenance and Management Services Agreement executed by the Parties on May 18, 2022 which extended the term through February 8, 2023; and

WHEREAS, the Parties executed a Third Addendum to the Agreement which extended the term through February 28, 2023 in order to allow additional time to negotiate a new longer-term extension of the Agreement; and

WHEREAS, the current term of the Agreement is set to expire on February 28, 2023; and

WHEREAS, the Parties, having negotiated in good faith, do agree to this 4th Addendum in accordance with the following terms and conditions which shall replace and supersede the corresponding sections whether referenced in the Agreement, First Addendum, Memorandum of Agreement, Second Addendum, and/or Third Addendum.

SECTION I-TERM

The term of this 4th Addendum shall commence on ~~February 9, 2023~~ ^{March 11, 2023} (the "Commencement Date") and continue through February 8, 2024. The Parties shall have the option to further extend the term for an additional two (2), one (1) year terms upon mutually agreeable terms and conditions.

^{29th} **SECTION II-SCOPE OF SERVICES**

The item in Section II below shall be modified as follows:

Non Routine Services: Non-Routine Services are not included in the Services provided by Company and outlined herein. Subject to mutual, written agreement, Company will assist Owner in obtaining or providing, or Company will obtain and provide with Owner authorization, such Non Routine Services so required, and Company will be paid for such Non-Routine Services as provided for in Appendix D.

SECTION VII-COMPENSATION

The items in Section VII below shall be modified as follows:

Fee: The initial Base Compensation for the operation, maintenance and management of the System as well as customer service shall be as set forth in Appendix D to this 4th Addendum.

Maintenance Fund:

a) **Maintenance Fund.** The Base Compensation includes a budgeted amount ("Annual Maintenance Cap") of one million, three hundred thousand dollars (\$1,300,000.00) to provide for necessary predictive, preventative, routine and minor corrective maintenance and repair ("Maintenance") required for the continued operation of the System, and have included that amount in the Annual Fee, to be paid Company in equal monthly installments.

e) The Company shall include in its monthly status reports sufficient information for the Owner to monitor the amounts spent on such maintenance during the term and to determine when the Company is within approximately 80% of reaching the Annual Maintenance Cap. At such time as the Annual Maintenance Cap is exhausted, the Company shall begin billing the Owner monthly for all amounts spent in excess of the Annual Maintenance Cap for each month. The Company shall notify the Owner each month of any suggested expenditures that are billable to the Annual Maintenance Cap for the Owner's written approval before commencing any such work, subject to the Public Health and Safety Emergencies as provided for in Section VII of the Agreement, such approval not to be withheld without good and sufficient cause. Payment by Owner shall be made in accordance with the provisions of Section VII of the Agreement.

Payment Terms: Monthly payments shall be made in an amount equal to 1/12 of the current Base Compensation; Company shall invoice Owner on the first day of each month and Company shall be paid via wire transfer on the first day of the month after which services are provided. Company shall invoice the Owner in arrears for all other additional services provided and amounts due, if any. Such invoices shall be due and payable within thirty (30) days from the date received by the Owner. The Owner will review Company's invoices, and if the Owner questions any items, the Owner shall notify Company within twenty-one (21) days of receipt of the invoice. Failure by the Owner to raise a disputed invoice within the 21 day period shall be deemed acceptance of the charges reflected in a particular invoice and the Owner shall forfeit its right to contest the same unless such contest is based on the service not being provided. All amounts not in dispute will be paid when due. Payment not made within thirty (30) days shall constitute a default under the Agreement and will be subject to interest at the prime rate plus two percent (2%) unless the parties have convened and made good faith efforts to reach a mutually agreed to alternate due date. Any alternate due date agreed to by the parties shall not exceed sixty (60) days.

The Parties agree that at no point during the life of this Agreement shall any outstanding accounts receivable by the Company exceed five hundred thousand dollars (\$500,000.00) without written approval by the Company not including contested amounts. If at any time accounts receivable do exceed \$500,000, the Owner shall make immediate payment to the Company for the full amount outstanding. If such payment is not made within sixty (60) days from the day when the accounts receivable initially exceeded \$500,000, the Owner shall be deemed to be in default and the Company shall provide written notice that demobilization will occur in ninety (90) days from the date of such notice. In the event such demobilization occurs, the Company shall be entitled to reimbursement for its

reasonable demobilization costs. "Demobilization Costs" shall mean "all reasonable costs and expenses that the Company may incur that are attributable to the termination of the Company's responsibilities in the performance of its contractual duties which may be necessary to wind down its operations and responsibilities under the Agreement. Examples of such costs include, but is not limited to any agreements that may be cancelled early that require an early termination fee, movement of equipment, tools, I.T. systems, etc.". In no event shall such Demobilization Costs be less than one month's service fee.

SECTION VIII-TERMINATION

The items in Section VIII below shall be modified as follows:

Breach or Default: Owner or Company may terminate this Agreement prior to the expiration of its terms, provided: a) The other party has materially breached the Agreement; b) The party claimed to have committed the breach is given thirty (30) days written notice specifically detailing the nature of the alleged breach; c) The party that is claimed to have breached the Agreement shall have the right to cure the breach within a reasonable time which in no event shall be more than ninety (90) days from the receipt of notice.

The notice and cure provisions for breach or default required herein shall not apply in those cases of default identified in Section VII-Compensation, above, except as to payment terms for any disputed Non Routine Services charges that have been raised to the Company within the 21 day period described above. In all other cases of default occurring on account of nonpayment or delinquent payment, the terms in Section VII of this 4th Addendum shall apply.

Demobilization; Transition:

In the event of termination by Owner, the Company shall be entitled to reimbursement for the modifications that the Company has completed on behalf of the Owner to the extent not previously reimbursed.

In the event of termination for nonpayment or delinquency in payment by Owner as identified above, Company shall be entitled to reimbursement for its reasonable demobilization costs. Additionally, the Company shall be entitled to reimbursement for the modifications that the Company has completed on behalf of the Owner to the extent not previously reimbursed.

APPENDIX C

The items of Appendix C, below, is hereby revised as follows:

Non Routine Services:

From time to time during the Term of this Agreement, the parties may mutually determine and agree in writing that additional services not specifically enumerated in the Scope of Services are necessary to achieve optimal or enhanced System performance and said services shall be performed by the Company for an additional cost to the Owner, mutually agreed upon by the parties prior to Company undertaking such services. Such services shall thereafter be specifically added to the Company's scope of services and the parties shall thereafter mutually determine if the fee shall be treated as one time payment or if the cost shall be added to the Base Compensation for the remainder of the then current Term. If the cost is treated as a one-time payment, the cost shall be the same as those costs paid for a Non-Routine Service

in accordance with Appendix D. If the cost is added to the Base Compensation, the parties shall document the new Base Compensation for the remainder of the then current Term in a Memorandum of Understanding executed by both parties.

The Parties agree that some examples of Non Routine Services that the Parties may agree to include, but are not limited to, the following:

Sanitary System:

- Clearing sewer backups
- Repairs to sewer mains
- CCTV inspections for anything over 21,200 feet of sewer pipe on an annual basis
- Abandonment of sewer connections

Stormwater System:

- Clearance of blockages
- Repair of storm/MS4/combined mains
- Replacement and/or Rebuilding of catch basins

For all Non Routine Services considered to be a Design/Build Project which may or may not involve a subcontractor, Company may agree to perform any such project only where the costs does not exceed two hundred thousand dollars (\$200,000.00). The Owner shall be responsible for any Design/Build Projects in which the total cost exceeds this amount with the exception of the continuation of the current scope of work and current schedule of completion within contract year 2023-2024 for the Glen Avenue Bridge project and the current scope of work and current schedule of completion within the contract year 2023-2024 for the upgrades to Well Number 5.

APPENDIX D

PRICING

All the terms and conditions previously set forth in Appendix D shall be replaced in their entirety with the following:

March 1, 2023

“Base Compensation: Effective as of ~~February~~ *March 1, 2023*, the New Annual Base Fee for contract year 2023/2024 shall be as follows:

Annual Base Compensation Fee:	\$2,100,000.00
Annual Maintenance Cap Fee:	\$1,300,000.00
Total Annual Fee:	\$3,400,000.00

Non-Routine Services: Costs for Non-Routine Services provided by the Company as described previously herein, shall be paid by Owner to Company separately on a time and expense basis, including overtime. Company shall invoice the Owner for the cost of all materials, supplies, equipment rental and subcontracting costs plus fifteen percent (15%) for the first \$500,000, 11% for the next \$1,000,000 and 8% over that -- for administrative overhead. This sliding scale on mark-up is to be calculated on a

per-event basis. For Company labor not regularly assigned to the System, Owner shall pay Company actual wages plus benefits at 35% plus 10% for overhead and administration. There will be no additional charge for Company labor regularly assigned to the System performing Non-Routine Services during the course of their normal working shift. However, if such employee performs services on an overtime basis, Owner shall pay Company actual wages (i.e. base wages + overtime) plus 35% for benefits plus 10% for overhead and administration.

All of the other terms of the Agreement, First Addendum, Memorandum of Agreement, Second Addendum, and Third Addendum shall remain in full force and effect except as may be modified herein.

All Recitals set forth above are hereby incorporated in full into this 4th Addendum.

All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Agreement, First Addendum, Memorandum of Agreement, Second Addendum, and/or Third Addendum.

This 4th Addendum shall prevail in the event of any discrepancy between the Agreement, Memorandum of Agreement, and the previous three Addenda.

The First Addendum, Memorandum of Agreement, Second Addendum, and Third Addendum are hereby incorporated by reference into this 4th Addendum.

This 4th Addendum may be executed in counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall constitute one and the same agreement. A signature transmitted by facsimile or other electronic means shall be sufficient and binding for all purposes.

IN WITNESS WHEREOF, the Parties have caused this ~~3rd~~ Addendum to be duly executed by their duly authorized representatives, as of the day and year first above written.

4th

City of Orange Township

Veolia Water Contract Operations USA, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

CITY COUNCIL

The City of Orange Township, New Jersey

DATE December 19, 2017

AMENDED

NUMBER 424-2017

TITLE: RESOLUTION AUTHORIZING THE CITY OF ORANGE TOWNSHIP TO ENTER INTO AN AMENDED EXTENSION AGREEMENT WITH SUEZ WATER ENVIRONMENTAL SERVICES, INC., TO PROVIDE CONTINUING OPERATION AND MAINTENANCE OF THE WATER SUPPLY, TRANSMISSION AND DISTRIBUTION SYSTEM, WASTEWATER COLLECTION SYSTEM, STORM WATER SYSTEM, AND CUSTOMER SERVICE, BILLING AND COLLECTION SYSTEM IN AN AMOUNT NOT TO EXCEED \$1,649,000.00 ANNUALLY

WHEREAS, the City of Orange Township entered into an agreement with U.S. Water, Inc., effective May 1, 2003, for the operation and maintenance of the Orange Water Services including the water supply, transmission and distribution system, wastewater collection system, storm water system and customer service, billing and collections ("water agreement"); and

WHEREAS, SUEZ Water Environmental Services, Inc. ("SUEZ"), acquired U.S. Water, Inc., on July 9, 2002; and

WHEREAS, SUEZ took over the prior water agreement as part of its acquisition of U.S. Water; and

WHEREAS, the prior water agreement between the City of Orange Township and SUEZ had an initial term of ten years for the operation and maintenance of the Orange Water Services which expired on April 30, 2013 and has two five-year applicable extension periods; and

WHEREAS, SUEZ has continued to provide operation and maintenance services to the City since the expiration of the prior water agreement's initial ten-year term; and

WHEREAS, SUEZ had contacted the City of Orange Township to consider an amendment to the prior water agreement with more applicable terms and conditions; and

WHEREAS, the Department of Environmental Protection requires that an agreement be executed to ensure the continued operation and maintenance services of the City of Orange Township water service to the public; and

WHEREAS, the City of Orange Township and SUEZ have decided to enter into an Amendment and extension of the initial Agreement (Extension Agreement), a draft of which is attached hereto, that will modify and modernize the operation and maintenance performed by SUEZ to the water system; and


WHEREAS, the proposed Extension Agreement will streamline and incorporate many concepts inherent in local municipal contracts with private service providers; and

Eric L. Pennington
R. P. ...

WHEREAS, the Chief Financial Officer of the City of Orange Township has prepared the necessary Certificate of Availability of Funds, a copy of which is attached hereto, certifying that funds are available for this purpose in Account No. 8-05-55-502-192-528.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Orange Township that the Mayor of the City of Orange Township be and is hereby authorized to enter into an Extension Agreement with SUEZ in an amount not to exceed \$1,649,000.00 *per annum* for a maximum term of two years under the initial five-year extension provision.

Adopted: December 19, 2017


Joyce L. Lanier
City Clerk


Kerry J. Coley
Council President

RESOLUTION NO. 424-2017

REGULAR MEETING— DECEMBER 19, 2017

OFF CONSENT AGENDA

MOTION TO ADOPT AS AMENDED: Williams

SECOND: Jackson

YEAS: Eason, Jackson, Johnson, Jr., Summers-Johnson, Williams and Council President Coley

NAYS: None

ABSTENTIONS: None

ABSENCES: Wooten

CITY COUNCIL

The City of Orange Township, New Jersey

DATE September 15, 2020

NUMBER 382-2020

TITLE: A RESOLUTION AUTHORIZING THE CITY OF ORANGE TOWNSHIP TO ENTER INTO A ONE-YEAR EXTENSION AGREEMENT WITH SUEZ WATER ENVIRONMENTAL SERVICES, INC., TO PROVIDE CONTINUING OPERATION AND MAINTENANCE OF THE WATER SUPPLY, TRANSMISSION AND DISTRIBUTION SYSTEM, WASTEWATER COLLECTION SYSTEM, STORM WATER SYSTEM, AND CUSTOMER SERVICE, BILLING AND COLLECTION SYSTEM COMMENCING FEBRUARY 9, 2021 THROUGH FEBRUARY 8, 2022 IN AN AMOUNT NOT TO EXCEED \$1,792,750.00

WHEREAS, the City of Orange Township entered into an agreement with U.S. Water, Inc., effective May 1, 2003, for the operation and maintenance of the Orange Water Services including the water supply, transmission and distribution system, wastewater collection system, storm water system and customer service, billing and collections ("water agreement"); and

WHEREAS, SUEZ Water Environmental Services, Inc. ("SUEZ"), acquired U.S. Water, Inc., on July 9, 2002; and

WHEREAS, SUEZ took over the prior water agreement as part of its acquisition of U.S. Water; and

WHEREAS, the prior water agreement between the City of Orange Township and SUEZ had an initial term of ten years for the operation and maintenance of the Orange Water Services which expired on April 30, 2013 and has two five-year applicable extension periods; and

WHEREAS, SUEZ has continued to provide operation and maintenance services to the City since the expiration of the prior water agreement's initial ten-year term; and

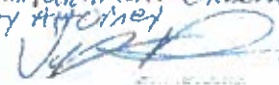
WHEREAS, SUEZ had contacted the City of Orange Township to consider an amendment to the prior water agreement with more applicable terms and conditions; and

WHEREAS, the Department of Environmental Protection requires that an agreement be executed to ensure the continued operation and maintenance services of the City of Orange Township water service to the public; and

WHEREAS, the City of Orange Township and SUEZ decided to enter into an Amendment and extension of the initial Agreement (Extension Agreement), that modified and modernized the operation and maintenance performed by SUEZ to the water system; and

WHEREAS, the agreement and the three-year extension of the contract was authorized by resolution 424-2017 on December 19, 2017; and

WHEREAS, the contract between the City of Orange Township and Suez Water Environmental Services Inc., located at 461 From Road, Suite 400, Paramus, New Jersey 07652,

Justin Patchman
City Engineer


for municipal Contract Water Utility Operations, Maintenance and Management Services will expire February 8, 2021; and

WHEREAS, the provision of municipal contract water utility operations, maintenance and management services is a service that must be bid under the Local Public Contracts Law; and

WHEREAS, it is anticipated that it will take up to an additional ninety-day period to properly award the municipal contract water utility operations, maintenance, and management services; and

WHEREAS, the current contractor, Suez Water Environmental Services, Inc., has agreed to obtain an extension of its performance bond; and

WHEREAS, the City at reserves the right to terminate the extension of the contract by giving thirty (30) days' notice in writing to Suez Water Environmental Services Inc. or substitute the current extension of the agreement with a new operation and maintenance agreement for the Orange Water Services; and

WHEREAS, the Chief Financial Officer of the City of Orange Township has prepared the necessary Certificate of Availability of Funds; a copy of which is attached hereto, certifying that funds will be available out of the 2021 budget.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Orange Township authorizes the one-year extension of the agreement with Suez commencing February 9, 2021 through February 8, 2022 in an amount not to exceed \$1,792,750.00.

Adopted: September 15, 2020

Joyce L. Lanier
City Clerk

Kerry J. Coley
Council President

CITY COUNCIL

The City of Orange Township, New Jersey

DATE June 15, 2021

NUMBER 315-2021

(Amended)

TITLE:

A RESOLUTION AUTHORIZING THE CITY OF ORANGE TOWNSHIP TO ENTER INTO A ONE-YEAR EXTENSION AGREEMENT WITH SUEZ WATER ENVIRONMENTAL SERVICES, INC., TO PROVIDE CONTINUING OPERATION AND MAINTENANCE OF THE WATER SUPPLY, TRANSMISSION AND DISTRIBUTION SYSTEM, WASTEWATER COLLECTION SYSTEM, STORM WATER SYSTEM, AND CUSTOMER SERVICE, BILLING AND COLLECTION SYSTEM COMMENCING FEBRUARY 9, 2022 THROUGH FEBRUARY 8, 2023 IN AN AMOUNT NOT TO EXCEED \$2,500,000.00 WITH AN OPTION FOR AN ADDITIONAL SIX MONTH EXTENSION.

WHEREAS, the City of Orange Township entered into an agreement with U.S. Water, Inc., effective May 1, 2003, for the operation and maintenance of the Orange Water Services including the water supply, transmission and distribution system, wastewater collection system, storm water system and customer service, billing and collections ("water agreement"); and

WHEREAS, SUEZ Water Environmental Services, Inc. ("SUEZ"), acquired U.S. Water, Inc., on July 9, 2002; and

WHEREAS, SUEZ took over the prior water agreement as part of its acquisition of U.S. Water; and

WHEREAS, the prior water agreement between the City of Orange Township and SUEZ had an initial term of ten years for the operation and maintenance of the Orange Water Services which expired on April 30, 2013 and has two five-year applicable extension periods; and

WHEREAS, SUEZ has continued to provide operation and maintenance services to the City since the expiration of the prior water agreement's initial ten-year term; and

WHEREAS, SUEZ had contacted the City of Orange Township to consider an amendment to the prior water agreement with more applicable terms and conditions; and

WHEREAS, the Department of Environmental Protection requires that an agreement be executed to ensure the continued operation and maintenance services of the City of Orange Township water service to the public; and

WHEREAS, the City of Orange Township and SUEZ decided to enter into an Amendment and extension of the initial Agreement (Extension Agreement), that modified and modernized the operation and maintenance performed by SUEZ to the water system; and

WHEREAS, the agreement and the three-year extension of the contract was authorized by resolution 424-2017 on December 19, 2017; and


Gracia Robert Montilus

WHEREAS, the agreement and a further extension of the contract was authorized by resolution 382-2020 on September 15, 2020; and

WHEREAS, the contract between the City of Orange Township and Suez Water Environmental Services Inc., located at 461 From Road, Suite 400, Paramus, New Jersey 07652, for municipal Contract Water Utility Operations, Maintenance and Management Services will expire February 8, 2022; and

WHEREAS, the provision of municipal contract water utility operations, maintenance and management services is a service that must be bid under the Local Public Contracts Law; and

WHEREAS, it is anticipated that it will take up to an additional ninety-day period to properly award the municipal contract water utility operations, maintenance, and management services; and

WHEREAS, the current contractor, Suez Water Environmental Services, Inc., has agreed to obtain an extension of its performance bond; and

WHEREAS, the City at reserves the right to terminate the extension of the contract by giving thirty (30) days' notice in writing to Suez Water Environmental Services Inc. or substitute the current extension of the agreement with a new operation and maintenance agreement for the Orange Water Services; and

WHEREAS, the Chief Financial Officer of the City of Orange Township has prepared the necessary Certificate of Availability of Funds contingent upon Council approval and inclusion of said item in the Temporary Budget and adopted 2022 Budget.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Orange Township

1. The one-year extension of the agreement with Suez commencing February 9, 2022 through February 8, 2023 in an amount not to exceed \$2,500,000.00 is hereby authorized with an option for an additional six month extension.
2. The Mayor or his designee is authorized to execute any necessary documents to evidence and memorialize the contract extension(s) set forth in paragraph 1.

Adopted: June 15, 2021


Joyce L. Danier
City Clerk


Kerry J. Coley
Council President

RESOLUTION NO. 315-2021

OFF CONSENT AGENDA

REGULAR MEETING – June 15, 2021

MOTION TO ADOPT AS AMENDED: Montague, III

SECOND: Eason

YEAS: Eason, Johnson, Jr., Montague, III, Summers-Johnson, Wooten & Council President Coley

NAYS: None

ABSTENTIONS: None

ABSENCES: Ross

