



UNION COUNTY UTILITIES AUTHORITY

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RESOLUTION NO.: 24-2014

DATED: February 26, 2014

RESOLUTION OF THE UNION COUNTY UTILITIES AUTHORITY PERTAINING TO STIPEND PAYMENTS MADE TO AUTHORITY EMPLOYEES IN 2013 AND 2014.

APPROVED AS TO FORM:
Lisa M. da Silva, RMC
Deputy Clerk of the Authority

APPROVED AS TO SUFFICIENCY OF FUNDS
 YES NO NONE REQUIRED
UNION COUNTY UTILITIES AUTHORITY

By: Lisa M. da Silva

By: [Signature]

	PRESENT	ABSENT	AYE	NAY	ABSTAIN	MOTION	SECOND	
<i>Badri</i>	✓				✓			
<i>Eastman</i>	✓		✓					
<i>Jackus</i>	Recused on the advice of Counsel - not in session executive							
<i>Kahn</i>	✓		✓					
<i>Kennedy, Secretary</i>	✓		✓					
<i>Kulish</i>	✓		✓					
<i>People, Treasurer</i>	✓	Recused on the advice of Counsel - not in executive session						
<i>Erdos, Vice Chairwoman</i>		✓						
<i>Huff, Chairman</i>	✓		✓					
<i>Bonanno, Alternate No. 1</i>	✓		✓					
<i>Lombardo, Alternate No. 2</i>	✓							

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DATED: February 26, 2014

**RESOLUTION OF THE UNION COUNTY UTILITIES AUTHORITY
PERTAINING TO STIPEND PAYMENTS MADE TO
AUTHORITY EMPLOYEES IN 2013 AND 2014.**

WHEREAS, the Union County Improvement Authority (the "UCIA") has been created by a resolution of the Board of Chosen Freeholders of the County of Union, New Jersey, as a public body corporate and politic of the State of New Jersey, pursuant to and in accordance with the County Improvement Authorities Law, N.J.S.A. 40:37A-44 *et seq.* and the acts amendatory thereof and supplemental thereto; and

WHEREAS, the Union County Utilities Authority (the "Authority") has been created by a resolution of the Board of Chosen Freeholders of the County of Union, New Jersey as a public body corporate and politic of the State of New Jersey, pursuant to and in accordance with County Utilities Authorities Law, N.J.S.A. 40:14B-1 *et seq.* and the acts amendatory thereof and supplemental thereto; and

WHEREAS, the Uniform Shared Services and Consolidation Act, N.J.S.A. 40A:65-1, *et seq.* authorizes the UCIA and the Authority to do all acts and things necessary, convenient or desirable to carry out and perform such agreements and to provide for the discharge of their respective obligations; and

WHEREAS, following the retirement of its Executive Director in August 2013, the UCIA requested the assistance of the Authority in providing the services normally provided by an Executive Director, and other services of the Authority's staff, relating to the day to day operations of the UCIA, until February 1, 2014, and

WHEREAS, on August 21, 2013, the Authority adopted Resolution No. 53-2013, authorizing the execution of a Shared Services Agreement (the "Agreement") with the UCIA, pursuant to which the Authority would provide the UCIA with the services of its Executive Director, office space, and other services of the Authority's staff, as more fully set forth in the Agreement, through February 2014; and

WHEREAS, because the UCIA continues to require the services set forth in the Agreement, by way of Resolution 18-2014, the Authority authorized a six-month extension of the Agreement, the term of which now expires on August 1, 2014;

WHEREAS, the Agreement provides that the Authority is to be compensated by the UCIA \$15,000 per month for the service and office space provided by the Authority to the UCIA; and

WHEREAS, following the Authority's February 12, 2014 Board of Commissioners ("Board") Annual Reorganization Meeting, it was brought to the attention of the Board that beginning in September 2013 and continuing until January 2014, monthly payments were made to certain Authority employees as remuneration for the additional responsibilities and work they were expected to take on in connection with the Agreement (hereinafter the "Stipend Payments"); and

WHEREAS, the Board does not possess sufficient information to make an informed determination regarding this matter at this time; and

WHEREAS, the Board is aware of its obligation to undertake appropriate due diligence to ascertain all material facts necessary to make a fully informed decision prior to taking any further action in this matter; and

WHEREAS, in an effort to undertake the utmost level of caution in dealing with matters of this type and in order to assist the Board in the fact-finding required for it to make a fully informed decision as to the appropriate form of action required, the Board believes it to be in the best interest of the Authority, its employees, officers and rate-payers, to retain an independent professional to (a) conduct an appropriate inquiry into the facts surrounding the issuance of the Stipend Payments; (b) provide a report to the Board on its findings with respect to same; and (c) to provide specific appropriate recommendations to the Authority as to steps it can and should take to assure the propriety of all remuneration to Authority employees.

NOW, THEREFORE, BE IT RESOLVED by the Union County Utilities Authority as follows:

1. The Executive Director and the Comptroller shall ensure that no additional remuneration or reimbursement payment(s) of any kind and in any amount shall be made to any Authority employee or officer until after such proposed payment has been presented to the Board of Commissioners and a duly authorized Resolution has been adopted by the Board of Commissioners approving of same.
2. The Authority shall retain an independent fact-finder to:
 - (a) conduct an appropriate inquiry into the facts surrounding the issuance of the Stipend Payments;
 - (b) provide a report to the Board on its findings;
 - (c) provide specific appropriate recommendations to the Authority as to steps it can and should take to assure the propriety of all remuneration to Authority employees; and
 - (d) report to the Authority's Labor & Employment Counsel as to the status of the fact-finding.
3. The Authority's officers, commissioners, and employees shall cooperate as required by New Jersey law with the inquiry referred to hereinabove.
4. The Authority's General Counsel and Labor & Employment counsel shall, to the extent needed, provide logistical assistance to the Authority-retained fact-finder and report to the Chairman with respect to the conduct of the fact-finding.

5. William Maderer and the law firm, Saiber, is hereby awarded a professional services contract to provide fact-finding and legal services with respect to the matter set forth above.
6. William Maderer and the law firm, Saiber, is authorized to commence services, subject to the execution of a professional services contract in substantially the same form as the contract attached hereto, with a total contract amount not to exceed \$17,500.00.
7. This contract award for professional services is not subject to the public bidding requirements of the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq., inasmuch as the appointee is authorized and regulated by law to provide the aforementioned services and/or the services are special in nature and require knowledge and training of an advanced type, which such firm possesses. As such, the Clerk of the Authority is hereby directed to publish a Notice of Contract Award and make a copy of this resolution available to the public for inspection.
8. This Resolution shall take effect immediately.

