

RESOLUTION NO. 48-2011

RESOLUTION OF THE PLAINFIELD MUNICIPAL UTILITIES AUTHORITY  
AUTHORIZING SETTLEMENT OF EMPLOYEE CONTRACTS

**WHEREAS**, The Plainfield Municipal Utilities Authority (the "Authority") is a public body corporate and politic of the State of New Jersey and was created by the Plainfield City Council pursuant to Ordinance MC-1995-19 and in accordance with the Municipal and County Utilities Authorities Law, N.J.S.A. 40:14B-1 et seq., to implement and operate a municipal utilities authority which will provide certain solid waste and sewerage services to the inhabitants of the City of Plainfield (the "City"); and

**WHEREAS**, in March, 2011 the Authority's Executive Director and Assistant Executive Director, together with the Authority, jointly announced their separation from the Authority; and

**WHEREAS**, both employees have served the Authority since its creation and have played a significant role in its growth and in the establishment of comprehensive solid waste and sewer systems that serve the residents of the City; and

**WHEREAS**, at the time of the separation announcement, both employees were midway in their employment contracts with the Authority; and

**WHEREAS**, in light of the nature of the employees separation, it is arguable as to the extent of the employees benefit entitlement under the terms and conditions of the contracts; and

**WHEREAS**, after review of several issues, including the tenure of the employees at the Authority and most important, the fact that certain severance funds have been funded through the Authority budgets at the recommendation of the Authority's Auditor/Financial Consultant, Lerch, Vinci & Higgins, LLP, to be available in the event of potential payout liabilities by virtue of the employees employment contracts with the Authority, the Board has determined to utilize the allocated severance funds that have been budgeted totaling approximately \$275,000 to be used in partial settlement of the employees' compensation claims under their contracts. The parties agree that any

further claims of the employees regarding any additional monies they claim may be owed to them under their contracts, will be addressed by a third party neutral arbitrator to be mutually selected by both parties; and

**WHEREAS**, the employees and the Authority further agree that the last working day for the employees will be June 30, 2011; and

**WHEREAS**, as set forth in the Certification of Funds of the Authority's Chief Financial Officer, the funds to make this payment have been budgeted for this purpose and ~~importantly, the payment of such funds will not effect the~~ budget or the Authority's rates.

**NOW, THEREFORE, BE IT RESOLVED** by the Plainfield Municipal Utilities Authority as follows:

1. The aforementioned recitals are incorporated herein as though fully set forth at length.

2. The Board hereby authorizes payment to the employees from the above budgeted severance funds in partial settlement to resolve the employees' compensation claims under their contracts and to pursue arbitration with respect to any other claims of the employees as set forth herein.

3. This Resolution shall take effect immediately.

**RECORDED VOTE:**

| REGULAR MEMBERS    | YES | NO | ABSTAIN | NOT PRESENT | ALTERNATE PRESENT NOT VOTING |
|--------------------|-----|----|---------|-------------|------------------------------|
| Carol Ann Brokaw   | X   |    |         |             |                              |
| Rev. Tracey Brown  | X   |    |         |             |                              |
| Harold Mitchell    | X   |    |         |             |                              |
| Alex Toliver       | X   |    |         |             |                              |
| ALTERNATE MEMBERS  |     |    |         |             |                              |
| Eugene Dudley (#2) | X   |    |         |             |                              |

The following Resolution is a true and complete copy of a Resolution of the Plainfield Municipal Utilities Authority adopted at the Regular Meeting thereof duly called and held on Tuesday, June 14, 2011.



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CAROL ANN BROKAW, SECRETARY

**CERTIFICATION OF FUNDS  
BY  
CHIEF FINANCIAL OFFICER**

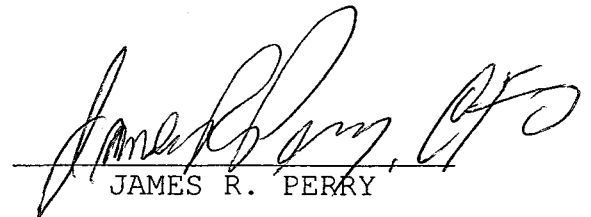
JAMES R. PERRY, of full age, hereby certifies as follows:

1. I am the Chief Financial Officer of the Plainfield Municipal Utilities Authority (the "Authority") and am charged with the responsibility of maintaining the financial records of the Authority.

2. I have determined that sufficient funds are available in the Sewer and Solid Waste Accounts of the Authority for the severance payment pending approval under Resolution No. 43-2011.

3. The severance payments will be properly charged to Administrative Accounts.

4. I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements are willfully false, I am subject to punishment.

  
JAMES R. PERRY

DATED: June 14, 2011