SALEM COUNTY IMPROVEMENT AUTHORITY

RESOLUTION 2016-29

February 18, 2016

RESOLUTION OF THE SALEM COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING EXECUTION OF CONTRACT FOR PROFESSIONAL SERVICES
BETWEEN THE SALEM COUNTY IMPROVEMENT AUTHORITY AND
ALIAMO GROUP, CONSULTING ENGINEERS

WHEREAS, the Salem County Improvement Authority (the “Authority”), has entered into a
contract for professional engineering services with Aliamo Group, Consulting Engineers for general
engineering services for the term February 18, 2016 through February 9, 2017; and

WHEREAS, it is anticipated that during the term of the contract with Aliamo the Authority will
need to consult with an engineer for the expansion of the landfill; and

WHEREAS, the Authority has sought financing for the landfill expansion from the New Jersey
Environmental Infrastructure Trust (“NJEIT”); and

WHEREAS, the NJEIT has required that the Authority have a specific contract with an engineer
for engineering services related to the construction of Cell 11 of the landfill; and

WHEREAS the Authority and the Aliamo Group have agreed on various terms that will govern the
services to be provided by the Aliamo Group that are specific to the project of the construction of Cell 11;
and

WHEREAS the duties set forth in the proposed contract fall within the duties of the Authority
engineer under the contract awarded to Aliamo pursuant to a fair and open process;

NOW THEREFORE, BE IT RESOLVED by the SCIA Board that the Chairman and
Secretary are hereby authorized to execute said Contract for Professional Services Between the Salem
County Improvement Authority and Aliamo Group, Consulting Engineers, attached hereto as Exhibit “A”
and incorporated herein.

***RECORDED VOTE***

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The foregoing is a true copy of a resolution adopted by the Commissioners of the Salem County Improvement Authority on February 18, 2016.

ATTEST:

Paul Williams, Secretary

Robert Widdifield, Chairman

February 18, 2016
Date

CERTIFICATION

I hereby certify the above to be a true copy of a resolution adopted by the Salem County Improvement Authority Board at their regular meeting held February 18, 2016

Paul Williams, Secretary
STATE OF NEW JERSEY

DEPARTMENT OF COMMUNITY AFFAIRS

DIVISION OF LOCAL GOVERNMENT SERVICES

LOCAL FINANCE BOARD

APPLICATION CERTIFICATION

APPLICANT'S NAME: THE SALEM COUNTY IMPROVEMENT AUTHORITY, IN THE COUNTY OF SALEM, NEW JERSEY

I, ROBERT E. WIDDIFIELD, THE UNDERSIGNED CHAIRPERSON OF THE SALEM COUNTY IMPROVEMENT AUTHORITY, IN THE COUNTY OF SALEM, NEW JERSEY, DO HEREBY DECLARE:

That the documents submitted herewith and the statements contained herein are true to the best of my knowledge and belief; and

That this application was considered and its submission to the Local Finance Board approved by the members of the Salem County Improvement Authority (the "Authority") on February 18, 2016.

[Signature]
Robert E. Widdifield, Chairperson

ATTEST:

[Signature]
Paul Williams, Secretary
CONTRACT FOR PROFESSIONAL SERVICES
BETWEEN
SALEM COUNTY IMPROVEMENT AUTHORITY
AND
ALAIMO GROUP
CONSULTING ENGINEERS

THIS CONTRACT for Professional Services, hereinafter called AGREEMENT made this ______ day of __________________________, 2016 by and between the Salem County Improvement Authority, a public body, Salem County, New Jersey hereinafter called the OWNER and ALAIMO GROUP, Consulting Engineers, Mount Holly, New Jersey, hereinafter called ENGINEER.

WHEREAS, the OWNER has previously authorized engineering design for Construction of Landfill Cell 11; and

WHEREAS, it is the intention of the OWNER to proceed with the construction of said Facilities hereinafter called the "PROJECT"; and

WHEREAS, the OWNER requires the services of a consulting engineer to assist in the construction of the PROJECT;

NOW THEREFORE, the Parties mutually agree that the OWNER does hereby engage the ENGINEER and that this AGREEMENT shall serve to define their respective rights, liabilities, and services to be performed for the successful completion of the PROJECT as set forth as follows:

I. SCOPE OF SERVICES

A. Bidding and Construction Services

The ENGINEER shall be compensated for said services under Section III.A. COMPENSATION.

The ENGINEER shall provide complete professional bid and construction services to the OWNER for the construction of the PROJECT as defined below and as generally described in this AGREEMENT.

EXHIBIT A
The Project includes an 8.3-acre landfill cell, which is one phase of a 31-acre landfill expansion. The landfill design includes a double composite liner system designed and permitted in accordance with NJDEP regulations. All such improvements shall be as designed by the ENGINEER as shown on drawings dated January 2016, or as subsequently amended and approved by NJDEP.

1. Bidding Services

Following the NJDEP’s authorization to advertise for bids, the ENGINEER shall:

a. Assist OWNER in advertising for and obtaining bids, maintain a record of prospective bidders to whom Bidding Documents have been issued, conduct pre-bid conferences.

b. Advise and assist OWNER in scheduling and conducting a Socially and Economically Disadvantaged Businesses (SED) utilization pre-bid conference and site walk-through.

c. Address any pre-bid requests for information by bidders and issue addenda as appropriate to interpret, clarify or expand the Bidding Documents.

d. Attend the bid opening, prepare bid tabulation sheets, and assist OWNER in evaluating bids.

e. Verify references, financial documents, and qualifications of the apparent low bidder.

f. Make a recommendation to the OWNER for the award of contracts and preparation of contract documents for execution.

g. Financial assistance for funding of the PROJECT is anticipated through the New Jersey Environmental Infrastructure Trust (TRUST). The ENGINEER shall attend planning sessions, and prepare applications, data, documents, exhibits, status reports, financial statements, and all other reports normally required by the TRUST during the bid phase.
2. **Construction Services**

   a. Conduct a preconstruction meeting with the successful Contractor(s) and representatives of the OWNER prior to initiation of construction at the PROJECT sites to establish site conditions, working relationships, interpretation of plans and specifications, establishment of construction schedules, work milestones, and special requirements.

   b. **Basic Services**

      1. Provide general communication with the OWNER and contractor throughout the duration of construction regarding such issues as progress, submittal status, construction issues, and their resolution.

      2. Provide communication and correspondence with the NJDEP.

      3. Maintain project files as required for periodic inspection by the NJDEP.

      4. Conduct pre-construction meeting, establish agenda, and issue notice to proceed.

      5. Review Progress Schedule, Schedule of Submittals, Schedule of Values required to be submitted by the contractor.

      6. Review shop drawings and other submittals as required to evaluate that the proposed materials and equipment conform to the contract documents.

      7. Establish baselines and benchmarks for locating work.

      8. Review laboratory, shop, and mill test reports of materials and equipment.


     10. Prepare record drawings at the completion of the project.
11. Prepare an engineering certification report at the completion of the project.

12. During the first year of operation, directing the operation of the landfill, revising the O&M Manual to reflect actual operating problems and experience, advising the owner as to whether the landfill is meeting the project performance standards, certifying project performance standards after one (1) year of operation of the landfill, and undertake corrective actions, if the applicant fails to achieve compliance with the project performance standards.

13. Provide full-time construction inspection/observation services during periods when the contractor is onsite to monitor the contractor’s progress and compliance with the contract drawings and specifications, including the contractor’s environmental protection and restoration measures.

14. Conduct a weekly construction meeting with the Contractor and owner to discuss scheduled activities.

15. Prepare daily inspection reports.

16. Review monthly payment requests, including the final payment request.

17. Participate in the review and evaluation of potential change orders, including detailed review of cost proposals.

18. Participate in the resolution of issues involving unforeseen field conditions.

19. Witness testing and startup of equipment and systems.

20. Coordinate vendor training.

21. Prepare punch list of remaining work items.

22. Evaluate substantial and final completion and issue certificates of substantial completion or final completion as appropriate.
23. Meet special State and Federal requirements such as:

i. Environmental Protection.
ii. Permit Enforcement.
iii. MBE recruitment for construction.

c. Make visits to the sites and observe the work of the contractors while construction is in progress.

1. Make such visits to the sites at intervals appropriate to the various stages of construction as ENGINEER deems necessary, in order to observe as an experienced and qualified design professional the progress and quality of the various aspects of Contractor(s)' work. Based on information obtained during such visits and on such observations, ENGINEER shall endeavor to determine, in general, if such work is proceeding in accordance with the Contract Documents. ENGINEER shall keep OWNER informed of the progress and scheduling of the work. ENGINEER shall immediately notify the OWNER of any delays or anticipated delays, and shall endeavor to guard the OWNER against delays, defects, and deficiencies in the work. ENGINEER shall make recommendations to the OWNER to overcome delays or anticipated delays and maintain the schedule and PROJECT completion date. These visits shall be in addition to the provision of a qualified Resident Project Representative ("RPR").

2. Designate an RPR (and any assistants) who shall be ENGINEER'S agent and employee and under ENGINEER'S supervision.

3. Designate a qualified individual (individuals) as Environmental Specialist (ES) to ensure that the requirements of the specifications relating to environmental and cultural resource protection and restoration are effectively carried out in accordance with the requirements. The ES shall be an agent and employee of the ENGINEER.
4. The purpose of the ENGINEER'S visits to and representations by the RPR, ES (and assistants) at the sites is to:

(a) Enable ENGINEER to better carry out the duties and responsibilities assigned to and undertaken by ENGINEER during the Construction Phase and, in addition, by exercise of ENGINEER'S efforts as an experienced and qualified design professional, to provide for OWNER a greater degree of confidence that the completed work of Contractor(s) will conform substantially to the Contract Documents and that the integrity of the design concept as reflected in the Contract Documents has been implemented and preserved by Contractor(s). However, ENGINEER shall not, during such visits or as a result of such observations of Contractor(s)' work, have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected by Contractor(s), for safety precautions and programs incident to the work of Contractor(s), or for any failure of Contractor(s) to comply with laws, rules, regulations, ordinances, codes, or orders applicable to Contractor(s) furnishing and performing their work. Notwithstanding the foregoing, the ENGINEER shall monitor and observe the following: (1) the Contractor's work in progress; (2) the Contractor's compliance with the foregoing, and (3) advise the OWNER as to any observed or foreseeable problems with the construction means, methods, techniques, sequences or procedures, in connection with the PROJECT.

(b) Disapprove of or reject Contractor(s)' work while it is in progress if ENGINEER believes that such work is defective and will not produce a completed PROJECT that conforms substantially to the Contract Documents or that it will prejudice the integrity of the design concept of the PROJECT as reflected in the Contract Documents.
(c) With the Owner's approval, evaluate and determine the acceptability of substitute materials and equipment proposed by Contractor(s).

(d) Have authority, as OWNER'S representative, to require additional and/or special inspection or testing of the work, and receive and review all certificates of inspections, testings, and approvals required by laws, rules, regulations, ordinances, codes, orders, or the Contract Documents (but only to determine generally that their content complies with the requirements of, and the results certified indicate compliance with, the Contract Documents). The OWNER shall require the Contractor(s) to provide to the ENGINEER, as the representative of the OWNER, such records, materials, and equipment required by the ENGINEER to accomplish such special inspections or testing.

(e) Monitor the performance of the Contractors and advise the OWNER of any material failure to perform, or sub-standard performance on the part of the Contractor(s), but not to guarantee performance of the Construction Contracts by Contractors nor assume responsibility for the Contractor's failure to furnish and perform their work in accordance with the contract documents, nor for any loss or damages to furnished materials and equipment prior to the acceptance by the OWNER, nor be responsible for the acts or omissions of any Contractor, or of any sub-contractor or supplier, or any of the Contractor(s), sub-contractors or suppliers, agents or employees, or any other persons (except ENGINEER'S own employees and agents) at the sites.

d. Review and approve (or take other appropriate action with respect to) Shop Drawings, results of laboratory tests and inspections, samples, and other data which Contractor(s) are required to submit, for the purpose of checking for conformance with information given and the design concept of the PROJECT.
expressed in the Contract Documents and provide OWNER with two (2) copies of all approved shop drawings. Such review and approval by the ENGINEER, and provision of a copy to the OWNER, shall not affect the rights of the OWNER after acceptance of work, services, materials, or Contractor-furnished equipment.

e. Act as initial interpreter of the requirements of the Contract Documents and judge of the acceptability of the work thereunder, and make decisions on all claims of OWNER and Contractor(s) relating to the acceptability of the work, or the interpretation of the requirements of the Contract Documents pertaining to the execution and progress of the work. Issue necessary interpretations and clarifications of the Contract Documents, and in connection therewith, prepare work directive changes and change orders as required. The ENGINEER'S response to any such request shall be made with promptness so as not to delay the PROJECT. Interpretations and decisions of the ENGINEER shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in writing or in the form of drawings, as necessary.

f. Based on ENGINEER'S on-site observations as an experienced and qualified design professional, on information provided by the RPR, and on review of applications for payment and the accompanying data and schedules:

1. Determine the amounts owing to Contractor(s) and recommend in writing payments to Contractor(s) in such amounts. Such recommendations of payment will constitute a representation to OWNER, based on such observations and review, that the work has progressed to the point indicated, and that, to the best of ENGINEER'S knowledge, information, and belief, the quality of such work is substantially in accordance with the Contract Documents (subject to an evaluation of such work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Contract Documents and to any other qualifications stated in the recommendation). In the case of unit
price work, ENGINEER'S recommendations of payment will include final
determinations of quantities and classifications of such work (subject to
any subsequent adjustments allowed by the Contract Documents).

2. By recommending any payment, ENGINEER represents that it has
undertaken the effort in accordance with the standard of care specified in
Paragraph V.J to comprise a true and accurate status of the progress of the
work.

g. Financial assistance for funding of the PROJECT is anticipated through the
New Jersey Environmental Infrastructure Trust (TRUST). The ENGINEER
shall attend planning sessions and prepare applications, data, documents,
exhibits, status reports, financial statements, and all other reports normally
required by the TRUST during the construction phase.

3. Final Inspection/Startup Services

a. Receive and review maintenance and operating instructions, schedules,
guarantees, bonds, and certificates of inspection, test, and approvals which are to
be assembled by Contractor(s) in accordance with the Contract Documents (but
such review will only be to determine that their content complies with the
requirements of, and in the case of certificates of inspection, tests, and approvals
the results certified indicate compliance with, the Contract Documents); and shall
transmit them to OWNER within a reasonable period of time after their receipt
with written comments so as not to delay the PROJECT.

b. Conduct an inspection to determine if the work is substantially complete and a
final inspection to determine if the completed work is acceptable so that
ENGINEER may recommend, in writing, final payment to Contractor(s) and may
give written notice to OWNER and the Contractor(s) that the work is acceptable
(subject to any conditions therein expressed).

c. Provide services required for startup operations, initial administration of the
facilities, and prepare Operation and Maintenance (O & M) Manuals and training.
d. Furnish two (2) sets of Record Drawings.

e. Financial assistance for funding of the PROJECT is anticipated through the New Jersey Environmental Infrastructure Trust (TRUST). The ENGINEER shall attend planning sessions and prepare applications, data, documents, exhibits, status reports, financial statements, and all other reports normally required by the TRUST during the final inspection/startup phase.

4. Project Certification Services

a. Upon completion of construction of each stage of landfill cell construction, prepare record plans and an engineering certification report in compliance with the requirements of the NJDEP Solid Waste Facility permit for commencement of filling operations.

b. Provide operational assistance for up to one (1) year after initial startup.

c. Conduct an inspection to determine if the work is substantially complete and a final inspection to determine if the completed work is acceptable so that ENGINEER may recommend, in writing, final payment to Contractor(s) and may give written notice to OWNER and the Contractor(s) that the work is acceptable (subject to any conditions therein expressed).

5. Excluded (Specialized) Services

It is recognized by the OWNER that geotechnical (soil and core borings), hydrogeological, materials testing, and the preparation of archaeological/cultural resources studies are very specialized fields of expertise and out of the purview of services normally rendered by the ENGINEER. Therefore, all such work required for the development of construction criteria, or otherwise required by the ENGINEER or the TRUST will be performed by others. The ENGINEER shall specifically define for the OWNER those services to be required by others and advise and assist the OWNER in the review of said qualifications, costs related to said services and said consultant’s proposed contract with the OWNER. The ENGINEER shall also
coordinate with, advise and assist the OWNER in choosing particular special consultants when their retention is required by the ENGINEER or the TRUST.

6. **Additional Professional Services**
   a. Services required as a result of changes in governmental rules and regulations enacted subsequent to the execution of this Contract.
   
b. Services required as a result of mediation, arbitration, litigation, or expert testimony.
   
c. Services which may be required as part of any modifications or requests to prepare or modify an Environmental Impact Statement, Environmental Assessment, or any additional environmental work or studies related thereto, except as described in the Scope of Services.
   
d. Services required for the laboratory testing of soils and/or groundwater for contamination under NJSA 58:10-23 et al and NJAC 7:1E et seq. and related statutes, rules, and regulations, for discharges of petroleum and other hazardous substances.
   
e. Services required to prepare and submit permit applications for the removal and/or remediation of soil and/or groundwater contamination under NJSA 58:10-23.11 et al and NJAC 7:1E et seq. and related statutes, rules, and regulations, for discharges of petroleum and other hazardous substances.
   
f. Services required to develop and design methods, systems, and equipment to remediate soil and/or groundwater contamination under NJSA 58:10-23.11 et al and NJAC 7:1E et seq. and related statutes, rules, and regulations, for discharges of petroleum and other hazardous substances.

II. **OWNER'S RESPONSIBILITIES**

OWNER shall:

A. As necessary, furnish to ENGINEER, services as defined under "Excluded (Specialized) Services" and provide existing data previously prepared by or through the service of
others, such as prior/existing traffic studies, environmental studies, or permits, surveys, 
mapping, rights-of-way or easements, as-built drawings of existing facilities, core 
borings, probings, and subsurface explorations.

B. Provide access to and make all provisions for ENGINEER to enter upon public and 
private property as required for ENGINEER to perform its services.

C. Examine all studies, reports, sketches, drawings, specifications, proposals, and other 
documents presented by ENGINEER, obtain advice of an attorney, insurance counselor, 
and other consultants as it deems appropriate for such examination and render in writing 
decisions pertaining thereto within a reasonable time so as not to delay the services of 
ENGINEER.

D. Pay all costs incidental to obtaining bids or proposals from Contractors.

E. Provide such legal, accounting and insurance counseling services as may be required for 
the PROJECT and the TRUST, and such auditing service as OWNER may require to 
ascertain how or for what purpose any Contractor has used the monies paid to him under 
the construction contract.

F. Serve as applicant for, and execute necessary approvals and permits from all 
governmental authorities having jurisdiction over the PROJECT, and such approvals and 
consents from others as may be necessary for completion of the PROJECT, with the 
assistance and recommendation of the ENGINEER. It is understood between the parties 
that the OWNER shall look to the ENGINEER for direction and information as to what 
specific approvals, permits, and consents are necessary for the completion of the 
PROJECT. The OWNER shall pay all application fees for environmental, building, or 
any other permits, licenses, etc., as may be required by local, State, or Federal 
Authorities.

G. Provide the Public Agency Compliance Officer (PACO) for New Jersey Environmental 
Infrastructure Trust Fund administration and coordination.

H. Pay all costs incidental to compliance with the requirements of this Section II.
III. COMPENSATION

The OWNER agrees to pay the ENGINEER compensation for the professional services as herein set forth. The OWNER shall be apprised should the actual costs to be incurred approach or exceed the maximum or budgetary amounts set forth in this Section. The ENGINEER shall advise the OWNER in writing of the reasons and anticipated amount by which actual costs may exceed the maximum or budgetary amount. Any increase in the maximum/not to exceed cost, can only be modified by mutual written agreement of the parties.

A. Engineering Services

The ENGINEER submitted to the OWNER an Engineering Cost Proposal dated March 20, 2015 proposing design phase, bid phase, and construction phase services in the amount of $850,000, of which the design phase services are in the amount of $250,000 and the bid phase and construction phase services are in the amount of $600,000. However, this Proposal was submitted prior to the decision to submit an application for project funding through the TRUST.

The bid phase and construction phase fees for services for the PROJECT as described below shall be determined and billed to the OWNER at the hourly rates according to the Employee Rate Schedule shown as Exhibit A. Billings for all subsequent years shall be based upon the ENGINEER'S employee billing rates for governmental clients for the calendar year in which these services are provided. These hourly rates include all Direct Payroll Expense, overhead, and profit. The maximum/not-to-exceed cost for Engineering Charges is $791,855, which is 12% of the Building Costs as provided for in the TRUST funding application. An estimate of these charges on a task-by-task basis is presented on Table A as follows:

1. Specialized Consultants

The OWNER may be required to employ special Consultants to Perform Specialized Services necessary for the completion of the PROJECT. No specialized services are anticipated at this time.
2. **Subconsultants**

It is anticipated that the ENGINEER shall not require the services of professional sub-consultant(s) to assist in the PROJECT.

3. **Additional Professional Services**

The fees for Additional Professional Services shall be under terms and conditions mutually agreeable to both parties. The ENGINEER shall not perform Additional Professional Services unless authorized by the OWNER in writing.

4. **Direct Reimbursable Expenses**

Direct "out-of-pocket" expenses for various services shall include actual expenditures made in the interest of the PROJECT such as: transportation expenses; reproduction of drawings and specifications; reports; photography; equipment, and exhibits; and shall be billed at 1.1 times cost. For budgetary purposes, the amount for Direct Reimbursable Expenses is estimated to be $22,494 total for the project detailed on Table A. If at any point during the project it is reasonably anticipated by the ENGINEER that this budgetary amount will be exceeded, such notification must be made, in writing, to the OWNER.

5. **Supplemental Construction Phase Engineering Services**

The OWNER and the ENGINEER anticipate by this AGREEMENT that the Contractor(s) employed to construct the PROJECT will perform the work of the construction of the PROJECT in a timely, neat, workmanlike manner and in accordance with the ENGINEER’S specifications. Failure of the Construction Contractor to perform, despite the oversight and project construction administration of the ENGINEER, and where the Construction Contractor(s) delay or failure to perform is not due to any actions or omissions on the part of the ENGINEER, may result in unanticipated Engineering Services being required. Such Supplemental Construction Phase Engineering Services may include:

a. **Retesting and Reinspection**
In the event that an element of the work evidences noncompliance with the Construction Contract Documents due to deficient materials, methods of construction, failure to comply with established/specifyied practices and procedures, Contractor(s) negligence, Contractor(s) error, or other reason attributable to the Contractor(s), retesting and reinspeletion shall be conducted by the ENGINEER as a supplemental engineering construction administration service if such retesting and reinspeletion require special reports, assignment of additional personnel, extended inspection hours/days, and other costs which are above those provided for in this AGREEMENT. The ENGINEER shall provide in the bid documents for such reinspeletion/retesting charges to be reimbursed to the OWNER through deducts from the Construction Contractor(s) payments. OWNER shall not be responsible for, and ENGINEER shall reimburse OWNER for, the payment of ENGINEER's reinspeletion/retesting charges should Contractor challenge and successfully prevail in any judicial proceedings any applicable deducts from the Contractor's payments initiated in connection with this paragraph.

b. Extended Basic Construction/Contract Administration Services

The Construction Contract Documents shall contain a provision for liquidated damages. In the event that the construction extends beyond the bid contract period necessitating extension of the term of the basic construction management/contract administration services, the related additional construction management/contract administration services charges incurred by the OWNER which are directly attributed to failure of the Contractor to complete the work within the bid contract period shall be paid for as supplemental construction phase engineering services. Where such additional charges extend through periods of liquidated damages, the ENGINEER shall provide the OWNER with supplemental billing documentation to support deduction of such additional services charges as liquidated damages from payment otherwise due the Contractor. OWNER shall not be responsible for, and ENGINEER shall reimburse OWNER for, the payment of ENGINEER'S extended basic
construction/contract administration services should Contractor(s) challenge and successfully prevail in any judicial proceeding any applicable deducts from the Contractor(s) payments initiated in connection with this paragraph. In the event the OWNER grants an extension of time to the Contractor(s) for completion of the construction contract work or the work is otherwise extended unrelated to any act or omission of the ENGINEER, the ENGINEER shall be paid for time spent beyond the project schedule as supplemental construction phase engineering services to the extent that such charges represent increased costs which would not have been incurred if it were to have been completed within the bid construction contract period.

IV. ANTICIPATED PROJECT SCHEDULE

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V. GENERAL TERMS

A. Local Public Contracts Law

This AGREEMENT shall be governed by the terms of the Local Public Contracts Law, NJSA 40A: 11-1, et seq., and all applicable provisions of New Jersey Law. This AGREEMENT is subject to the availability and appropriation of sufficient funds as may be required to meet the extended obligation of the OWNER, subject to applicable law. The OWNER agrees to make such appropriation as may be needed to satisfy its obligations under this AGREEMENT.

B. Successors and Assigns

The OWNER and ENGINEER, respectively, bind themselves, their partners, successors, assigns, and legal representatives to the other party to this AGREEMENT and to the
partners, successors, assigns, and legal representatives of such other party with respect to all covenants of this AGREEMENT. Neither the OWNER nor the ENGINEER shall assign, sublet, or transfer any interest in this AGREEMENT without the written consent of the other, except to the extent that any assignment, subletting, or transfer is mandated by law or the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this AGREEMENT. Nothing contained in this paragraph shall prevent ENGINEER from employing such independent professional associates and consultants as ENGINEER may deem appropriate to assist in the performance of services hereunder.

Nothing under this AGREEMENT shall be construed to give any rights or benefits in this AGREEMENT to anyone other than OWNER and ENGINEER, and all duties and responsibilities undertaken pursuant to this AGREEMENT will be for the sole and exclusive benefit of OWNER and ENGINEER and not for the benefit of any other party.

The ENGINEER shall, however, have the right to assign compensation for engineering services to be accomplished in part or in whole by written notification to the OWNER.

C. Findings Confidential

All of the records, information, data, etc. prepared or assembled by the ENGINEER under this AGREEMENT are confidential and the ENGINEER agrees that they shall not be made available to any individual or organization without the prior written approval of the OWNER.

D. Payments

Payments are due and payable within thirty (30) days of receipt of a completed itemized bill accompanied by all appropriate supporting attachments and back up. If the OWNER fails to make any payment due the ENGINEER within sixty (60) days of invoicing, through no fault of the ENGINEER, the ENGINEER, may, after seven (7) days written notice to the OWNER, suspend services under this AGREEMENT until the ENGINEER
has been paid in full amounts due it on account of services and expenses. Such action shall not be a breach of this contractual AGREEMENT with the OWNER.

E. Extension of Construction Contract Completion Time

If the Contractor(s) construction time for completion is extended or prolonged, through no fault of the ENGINEER, after the award of contract(s) the ENGINEER shall receive hourly compensation in accord with the rates set forth in "Exhibit A" for Basic and Related Services set forth in Section III for those construction phase services effected by the prolonged construction period.

F. Penalties/Damages

No deduction shall be made from the ENGINEER'S compensation on account of penalty, liquidated damages, or other amount withheld from payments to the Construction Contractor(s) and any other parties with whom the OWNER may have entered into contracts in conjunction with the PROJECT.

G. Cancellation

Either party shall have the right to cancel this AGREEMENT upon ten (10) days written notice, in the event the other party defaults in any substantial way in the performance of this AGREEMENT, through no fault of the party initiating the cancellation. OWNER shall have the right to cancel this AGREEMENT for convenience upon five (5) days written notice based upon the OWNER'S inability to obtain sufficient funds to construct the PROJECT.

H. Disputes

All claims, disputes, and other matters in question between the parties to this AGREEMENT, arising out of or relating to this AGREEMENT or the breach thereof, shall be referred to mediation in accordance with the Construction Industry Mediation Rules of the American Arbitration Association, then prevailing. The parties shall be required to mediate in good faith, comply with all parameters established by the mediator with respect to discovery and the exchange of materials/documents/position statements
and have representative present at each mediation session with settlement authority. In the event the parties cannot amicably resolve their differences through mediation, all claims, disputes, and other matters in question between the parties to this AGREEMENT, arising out of or relating to this AGREEMENT or the breach thereof, shall be heard in a Court of competent jurisdiction. The Superior Court of New Jersey shall be the Court of competent jurisdiction. Venue shall be laid in the County of Burlington.

I. Changes

Changes to the Scope of Work shall be directed only by duly authorized representatives of the OWNER and shall be confirmed, in writing, in a timely manner for changes having a significant impact on the cost of professional services or construction for the PROJECT. Such changes include, but are not limited to, the scope and magnitude of the PROJECT; method or manner of performance; schedule for performance of professional services; requirements for testing and/or laboratory services; or any other written or oral order from such authorized representative that causes a change in the ENGINEER’S performance of the AGREEMENT. The ENGINEER will provide a written estimate of the cost implications of directed changes when those changes will have a significant impact on the cost of services provided, or cost of construction for the PROJECT under the scope of its Basic Services. Changes shall be accepted in writing only by letter, memo, or telefacsimile, and signed by the authorized representatives of the OWNER in the interests of expediting the services provided by the ENGINEER; however, the OWNER, by such directive, assumes and accepts full responsibility for the payment of professional services so ordered and rendered.

J. Professional Liability

The ENGINEER will exercise the degree of skill and care ordinarily exercised by professional engineering companies performing the same or similar work in the same geographic area for the professional services provided in this AGREEMENT and on the selection of equipment and materials for this PROJECT. The ENGINEER’S professional liability in the performance of this AGREEMENT is limited by the standard for professional services as of the time the services are rendered.
K. Ownership of Documents

All documents including Drawings and Specifications prepared or furnished by ENGINEER (and ENGINEER'S independent professional associates and consultants) pursuant to this AGREEMENT are instruments of service in respect of the PROJECT and ENGINEER shall retain an ownership and property interest therein whether or not the PROJECT is completed. OWNER may make and retain copies for information and reference in connection with the use and occupancy of the PROJECT by OWNER and others; however, such documents are not intended or represented to be suitable for reuse by OWNER or others on extensions of the PROJECT or on any other project. Any reuse without written verification or adaptation by ENGINEER for the specific purpose intended will be at OWNER'S sole risk and without liability or legal exposure to ENGINEER, or to ENGINEER'S independent professional associates or consultants, and OWNER shall indemnify and hold harmless ENGINEER and ENGINEER'S independent professional associates and consultants from all claims, damages, losses, and expenses including attorneys' fees arising out of or resulting therefrom. Any such verification or adaptation by the ENGINEER on behalf of the OWNER shall entitle ENGINEER to further compensation at rates to be agreed upon by OWNER and ENGINEER.

L. Permit/License Applications

Since this AGREEMENT requires the preparation and submission of any additional permit/license applications or like documentation that may be required, the ENGINEER will complete the necessary forms as required by the appropriate governmental body or agency for the permits, licenses, and approvals stated in the Scope of Services. Such preparation will conform to standard professional practice. The ENGINEER cannot guarantee approval by the governmental body or agency, nor can it guarantee the time required for such approval by the issuing authority.

M. Toxic or Hazardous Substances

The OWNER agrees to hold harmless, indemnify, and defend the ENGINEER from and against any and all claims, losses, damages, liabilities, and costs including, but not
limited to, costs of defense arising out of or in any way connected with the presence, discharge, release, or escape of contaminants, asbestos, or toxic, radioactive, or hazardous substances of any kind, excepting only such liability as may arise out of the negligence of the ENGINEER in the performance of its services under this AGREEMENT.

N. Construction Estimate

The ENGINEER, in its preparation of construction cost estimates, uses its best judgment as a professional entity familiar with the construction industry. It is recognized that neither the ENGINEER nor the OWNER has control over the cost of labor, materials, or equipment over the Contractor's methods of determining bid prices or over competitive bidding, market, or negotiating conditions. Accordingly, the ENGINEER cannot and does not warrant or represent that bids received or negotiated prices will not vary from the original estimates that were provided to the OWNER.

O. Insurance

The ENGINEER shall provide within ten (10) days of execution of this AGREEMENT, and shall maintain for the duration of the AGREEMENT, all insurance required in this section. The ENGINEER shall not allow any approved subcontractors to commence work on their subcontracts until all similar insurance required of the subcontractors has been so obtained and approved, unless specifically waived by the OWNER in writing as not applicable to the work performed by the subcontractor. Minimum insurance required under this section consists of the following:

1. Statutory worker’s compensation and employer’s liability insurance.

2. Comprehensive all risks, general liability insurance including personal injury liability insurance and property damage liability of not less than $1,000,000.00 each occurrence; $2,000,000.00 aggregate.

3. Automobile bodily injury liability insurance of not less than $500,000.00 each person; $1,000,000.00 each occurrence.
4. Professional liability insurance covering damages to the OWNER and others resulting from negligent errors or omissions of the ENGINEER shall be in the amount of $2,000,000.00.

P. Waivers

The waiver of a breach of any provision of this AGREEMENT by the OWNER shall not operate or be construed as a waiver of any subsequent breach.

Q. Invalidity Under Law

If any provision of this AGREEMENT shall be or become invalid under any law, such invalidity shall not affect the validity or enforceability of any other provision hereof.

R. Notice to Proceed

The execution of this AGREEMENT by both parties shall constitute a Notice to Proceed for the ENGINEER, effective upon the date of execution of this AGREEMENT.

S. Miscellaneous

1. No payment or allowance of any kind shall be made by the OWNER to the ENGINEER as compensation for damages on account of hindrance or delay from any cause in the progress of work, whether such delay be avoidable or unavoidable: the sole exception to this shall be in the event the OWNER proceeds against the general contractor or other party (except the ENGINEER) for delay or disruption, the OWNER and ENGINEER may agree prior to the making of such a claim, at the OWNER’S sole discretion, that the ENGINEER may be entitled to some portion of the recovery based on the particular facts of the claim.

2. The ENGINEER shall indemnify and hold harmless the OWNER for all damages, losses, or claims that arise as a result, in whole or in part, of the ENGINEER’S his employee’s, agent’s, or consultant’s, negligence, error or omissions, or failure to perform. The ENGINEER shall indemnify and hold harmless the OWNER of all damages, losses, or claims that arise as a result, in whole or in part, of the breach of
the AGREEMENT or any implied covenants deemed to be applied thereto, intentional acts, omission or other failures to perform by the ENGINEER, his employees, his agents, or his Consultants.

3. The OWNER shall indemnify and hold harmless the ENGINEER for all damages, losses, or claims that arise as a result, in whole or in part, of the OWNER'S, his employee's, agent's, or consultant's negligence, error omissions, or failure to perform. The OWNER shall indemnify and hold harmless the ENGINEER of all damages, losses, or claims that arise as a result, in whole or in part, of the breach of the AGREEMENT or any implied covenants deemed to be applied thereto, intentional acts, omission, or other failures to perform by the OWNER, his employees, his agents, or his Consultants.

4. Within the Contract Documents, the ENGINEER shall require that the Contractor administrate, manage, and coordinate to manage the PROJECT in accordance with the requirements of the Contract Documents, which may include necessary requirements for sequencing the work and limits of site utilization.

5. Notwithstanding anything to the contrary stated herein, OWNER shall not be responsible for compensating ENGINEER for any services provided pursuant to this AGREEMENT if such services were necessitated or required as a result of ENGINEER'S or his employee's or agent's, negligence, errors, or omissions.

T. Extent of Agreement

This AGREEMENT, with "Exhibits A, B, and C," attached hereto and made part hereof, represent the entire and integrated AGREEMENT between OWNER and the ENGINEER and supersedes all prior negotiations, representations, or agreements, either written or oral. This AGREEMENT may be amended only by written instrument, signed by both OWNER and ENGINEER.

IN WITNESS THEREOF, the Parties hereto have affixed their hands and seals as of the day and year first above written.
SALEM COUNTY IMPROVEMENT
AUTHORITY

Robert Widdifield, Chairman

DATE:

ALAIMO GROUP

Richard A. Alaimo, PE, President

DATE:

Enclosure:  EXHIBIT A - Employee Rate Schedule
           EXHIBIT B - Mandatory Affirmative Action Language
           EXHIBIT C – Business Registration Certificate