

# *New Jersey Sustainable Energy Joint Meeting*

## **AGENDA AND REPORTS**

**MARCH 5, 2010**

**10:00 AM**

**PISCATAWAY TOWNSHIP**

**MUNICIPAL COMPLEX**

**455 HOES LANE**

**PISCATAWAY, NJ 08854**

### **OPEN PUBLIC MEETINGS ACT - STATEMENT OF COMPLIANCE**

In accordance with the Open Public Meetings Act, notice of this meeting was provided by:

- I.** sending sufficient notice to the Star Ledger,
- II.** filing advance notice of this meeting with each member entity, and posting same on the SEM's Web site



**2010 STATE EXECUTIVE COMMITTEE**

<b>NJ SEM</b>	
<b>State Wide Representatives</b>	
	<b><u>State Rep.</u></b>
Region 1	William Close, Town of Dover
Region 2	Charles Cuccia, Saddle River
Region 3	Lyn Evers, Piscataway Twp.
Region 4	Thomas Nolan, Brielle Borough
Region 5	Richard Brook, Florence Twp.
Region 6	Joan Leanord, Collingswood
	<b><u>Alternate Rep.</u></b>
Region 1	Greg Poff, Rockaway Twp.
Region 2	Greg Franz, Edgewater Borough
Region 3	Ron Angelo, City of Summit
Region 4	Michael Gianforte, Two Rivers Water Rec. Authority
Region 5	Linda Dougherty, Edgewater Park Township
Region 6	Terry Shannon, Barrington

## NEW JERSEY SUSTAINABLE ENERGY JOINT MEETING

Park 80 West, Plaza One  
Saddle Brook, NJ 07663

*Telephone (201) 587-0555 Fax (201) 587-8662*

**Date:** March 5, 2010  
**Memo to:** Executive Committee  
NJ SEM  
**From:** PERMA Risk Management Services  
**Subject:** Executive Director's Report

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- **Natural Gas Auction-** We will have a discussion regarding the results of our natural gas auction and the game plan moving forward for the members of the NJ SEM. In addition, we have attached a press release that will be distributed to the newspapers. We also posted the press release on our web site.
- **Electric Auction-** A discussion and education session will take place regarding the timing and the information needed in order to proceed to a successful auction for electricity. We have attached a calendar in order for us to establish a time line for a properly noticed auction.
- **Professional Contracts-** We are in the process of completing contracts for each professional and will send them to our attorney for review. Once the contracts are finalized, we will forward them to the Executive Committee for final approval and then distribute. We will need to discuss compensation wording for the professionals in the event that membership grows and/or we have multiple successful auctions.
- **By-Laws-** A discussion should take place on the possibility of changing the NJSEM's by-laws so that they are advantageous to the SEM when conducting auctions and the amount of days needed to provide notice to our members.

**NEW JERSEY SUSTAINABLE ENERGY MEETING**  
**(NJSEM)**  
**PRESS RELEASE**

For Immediate Release:  
March 2, 2010

Contact:  
James Kickham  
Executive Director  
201-587-0555

Saddle Brook, NJ - The New Jersey Sustainable Energy Joint Meeting (NJSEM) is an energy purchasing group of 113 New Jersey governmental entities who have joined together to provide small energy consumers equal footing with large energy users. The ultimate goal is to pool the resources of a large group of municipal organizations in order to collectively purchase natural gas and electricity. The end result will be price stability for all NJSEM members through a competitive on-line bid process, and the opportunity to realize a savings for all members.

The NJSEM held its first successful on-line reverse auction for natural gas on February 9, 2010. The on-line reverse auction process is both efficient and transparent, and it allowed the NJSEM to secure a competitive price for natural gas for a one (1) year period.

The successful bidder, Woodruff Energy of Bridgeton, New Jersey, bid \$8.84per dekatherm (8.84/Dth) on an overall quantity of 389,594/Dth. The lock in price of \$8.84/Dth is for the actual cost to purchase natural gas from its source and to cover the costs of interstate transportation until the gas reaches New Jersey. These are the only two natural gas costs a public entity can seek to control and reduce through the public bidding process. The NJSEM Executive Board awarded a 12 month fixed price (FP) contract starting on April 1, 2010.

The NJSEM Chairman Richard Brook, of Florence Township New Jersey stated, “that while the natural gas award should result in a small savings for our members, and has the potential to be noticeable over the length of the contract, it does demonstrate the ability of public organizations to work together to obtain a competitive price for natural gas which will be stable for this twelve (12) month period. The uncertainty of natural gas costs is eliminated for all NJSEM members through the collective bidding and contract award process. The contract insulates all NJSEM members against the rising costs of natural gas. It ensures that all NJSEM members will be able to prepare their respective budgets knowing that natural gas costs cannot go above \$8.84 a dekatherm during the contract period. Cost certainty is critical for all public entities.”

The NJSEM will next pursue competitive bidding for electric aggregation for its members. Please visit the NJSEM website at [www.NJSEM.org](http://www.NJSEM.org) for more information about the benefits of joining the New Jersey Sustainable Energy Meeting.

# April 2010

April 2010							May 2010						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
4	5	6	7	8	9	10	11	12	13	14	15	16	17
18	19	20	21	22	23	24	25	26	27	28	29	30	31

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Mar 28	29	30	31	Apr 1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	May 1

Mar 28 - Apr 3      Apr 4 - 10      Apr 11 - 17      Apr 18 - 24      Apr 25 - May 1

# May 2010

June 2010

May 2010

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Apr 25	26	27	28	29	30	May 1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31	Jun 1	2	3	4	5

# June 2010

June 2010							July 2010						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
6	7	1	2	3	4	5	11	12	13	14	15	16	17
13	14	15	16	17	18	19	18	19	20	21	22	23	24
20	21	22	23	24	25	26	25	26	27	28	29	30	31
27	28	29	30										

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
May 30	31	Jun 1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	Jul 1	2	3



## **APPENDIX I**

**NEW JERSEY SUSTAINABLE ENERGY JOINT MEETING  
OPEN MINUTES  
MEETING OF FEBRUARY 5, 2010  
CONFERENCE CALL  
1:30 PM**

Meeting called to order by Chairman Richard Brook. The Open Public Meeting Notice was read into the record.

**ROLL CALL OF COMMISSIONERS:**

<b>NJ SEM</b>	
<b>State Wide Representatives</b>	
	<u>State Rep.</u>
Region 1	William Close, Town of Dover
Region 2	Charles Cuccia, Saddle River
Region 3	Lyn Evers, Piscataway Twp.
Region 4	Thomas Nolan, Brielle Borough
Region 5	Richard Brook, Florence Twp.
Region 6	Joan Leanord, Collingswood
	<u>Alternate Rep.</u>
Region 1	Greg Poff, Rockaway Twp.
Region 2	Greg Franz, Edgewater Borough
Region 3	Ron Angelo, City of Summit
Region 4	Michael Gianforte, Two Rivers Water Rec. Authority
Region 5	Linda Dougherty, Edgewater Park Township
Region 6	Terry Shannon, Barrington

Present from the above group were: William Close, Charles Cuccia, Lynn Evers, Thomas Nolan, Richard Brook, Terry Shannon and Michael Gianforte.

**APPOINTED OFFICIALS PRESENT:**

Executive Director/ Administrator	<b>PERMA Risk Management Services</b>	James Kickham	Present
Attorney		James Maley	Present
Treasurer		William Garofalo	Absent
Energy Consultant	<b>The BSG/PMK Group</b>	Fred Fastiggi Bob Gerard	Present Present

Also Present:  
Stephen Sacco, PERMA  
Tom Brys, BSG

**Natural Gas Auction-**A discussion took place regarding the possibility of going to auction for members of the SEM. Mr. Kickham advised the committee that at our last meeting we agreed that the SEM needs to be “nimble” while complying with the governmental process. We notified every SEM member that the next auction was to be “ON OR BEFORE 2/17/2010”. Since that meeting, PMK has had advanced discussions with the auctioneer and directly to suppliers. Concerns have been raised over the number of meters/accounts and the credit risk but at the end of the day, positive interest from two or three suppliers was expressed. Meanwhile last week, the NYMEX prices declined and are now working their way upwards. Lots of trading, but we are not trading but buying with a price objective of \$8.85.

Accordingly, we were advised by PMK and World Energy that the outlook for today was positive to meet our target price. Therefore, we wish to act since we are not trading but actually hedging at the \$8.85 strike price.

Next we conference the professionals to construct a plan to take advantage of this window of opportunity. Our attorney, after consulting the law books, advised that an emergency meeting is permissible. Second, we gave notice to the press of today’s meeting to comply with the law.

We posted the meeting on the website and we can blast out the news of the auction. We continue to comply both in spirit and fact with the law.

So here we are, all options remain, again we are going to auction with the same target price.

Having said that, our energy consultant advised us that the market was not advantageous for the NJ SEM to be successful in an auction today. Therefore, a decision was made to adjourn the auction and continue the meeting on Monday.

**MOTION TO ADJOURN THE FEBRUARY 5, 2010 AUCTION AND CONTINUE THE MEETING ON MONDAY, FEBRUARY 8TH**

<b>MOTION:</b>	Commissioner Cuccia
<b>SECOND:</b>	Commissioner Close
<b>VOTE:</b>	Unanimous

Meeting Adjourned: 1:45 PM

*Respectfully submitted,*

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Prepared by S. Sacco, Assistant Secretary

**NEW JERSEY SUSTAINABLE ENERGY JOINT MEETING  
OPEN MINUTES  
MEETING OF FEBRUARY 8, 2010  
CONFERENCE CALL  
1:30 PM**

Meeting called to order by Chairman Richard Brook. The Open Public Meeting Notice was read into the record.

**ROLL CALL OF COMMISSIONERS:**

<b>NJ SEM</b>	
<b>State Wide Representatives</b>	
	<u>State Rep.</u>
Region 1	William Close, Town of Dover
Region 2	Charles Cuccia, Saddle River
Region 3	Lyn Evers, Piscataway Twp.
Region 4	Thomas Nolan, Brielle Borough
Region 5	Richard Brook, Florence Twp.
Region 6	Joan Leanord, Collingswood
	<u>Alternate Rep.</u>
Region 1	Greg Poff, Rockaway Twp.
Region 2	Greg Franz, Edgewater Borough
Region 3	Ron Angelo, City of Summit
Region 4	Michael Gianforte, Two Rivers Water Rec. Authority
Region 5	Linda Dougherty, Edgewater Park Township
Region 6	Terry Shannon, Barrington

Present from the above group were: William Close, Charles Cuccia, Lynn Evers, Thomas Nolan, Richard Brook, Greg Franz, and Michael Gianforte.

**APPOINTED OFFICIALS PRESENT:**

Executive Director/ Administrator	<b>PERMA Risk Management Services</b>	James Kickham	Absent
Attorney		James Maley	Present
Treasurer		William Garofalo	Absent
Energy Consultant	<b>The BSG/PMK Group</b>	Fred Fastiggi Bob Gerard	Present Present

Also Present:  
Stephen Sacco, PERMA  
Tom Brys, BSG

**Natural Gas Auction-**

We posted the meeting on the website and we can blast out the news of the auction. We continue to comply both in spirit and fact with the law.

Our energy consultant advised us that the market was not advantageous for the NJ SEM to be successful in an auction today. Therefore, a decision was made to adjourn the auction and continue the meeting on Tuesday, February 9 at 1:30 pm..

**MOTION TO ADJOURN THE FEBRUARY 8, 2010 AUCTION AND CONTINUE THE MEETING ON TUESDAY, FEBRUARY 9TH**

<b>MOTION:</b>	Commissioner Cuccia
<b>SECOND:</b>	Commissioner Evers
<b>VOTE:</b>	Unanimous

Meeting Adjourned: 1:45 PM

*Respectfully submitted,*

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Prepared by S. Sacco, Assistant Secretary

**NEW JERSEY SUSTAINABLE ENERGY JOINT MEETING  
OPEN MINUTES  
MEETING OF FEBRUARY 9, 2010  
CONFERENCE CALL  
1:00 PM**

Meeting called to order by Chairman Richard Brook. The Open Public Meeting Notice was read into the record.

**ROLL CALL OF COMMISSIONERS:**

<b>NJ SEM</b>	
<b>State Wide Representatives</b>	
	<u>State Rep.</u>
Region 1	William Close, Town of Dover
Region 2	Charles Cuccia, Saddle River
Region 3	Lyn Evers, Piscataway Twp.
Region 4	Thomas Nolan, Brielle Borough
Region 5	Richard Brook, Florence Twp.
Region 6	Joan Leanord, Collingswood
	<u>Alternate Rep.</u>
Region 1	Greg Poff, Rockaway Twp.
Region 2	Greg Franz, Edgewater Borough
Region 3	Ron Angelo, City of Summit
Region 4	Michael Gianforte, Two Rivers Water Rec. Authority
Region 5	Linda Dougherty, Edgewater Park Township
Region 6	Terry Shannon, Barrington

Present from the above group were: William Close, Charles Cuccia, Lynn Evers, Thomas Nolan, Richard Brook, Greg Franz, Terry Shannon and Michael Gianforte.

**APPOINTED OFFICIALS PRESENT:**

Executive Director/ Administrator	<b>PERMA Risk Management Services</b>	James Kickham	Absent
Attorney		James Maley	Present
Treasurer		William Garofalo	Absent
Energy Consultant	<b>The BSG/PMK Group</b>	Fred Fastiggi Bob Gerard	Present Present

Also Present:  
Stephen Sacco, PERMA  
Tom Brys, BSG  
Tara Pasca, PMK

**Natural Gas Auction-**

The natural gas market has turned and is favorable. PMK is recommending that the NJ SEM run the auctions from 12:10 to 1:10 PM today for a 12-month contract and from 12:15 to 1:15 PM today for the 24-month contract.

The NJ SEM held an auction for Natural Gas today. The NJ SEM received two bids, one from Great Eastern Energy LLC and the other from Woodruff Energy. The low bidder was Woodruff Energy at \$8.84 for 12 months. The State Executive Committee has awarded the contract to Woodruff as the price is below our target price. A contract is being finalized and more information will be provided shortly to the membership.

**MOTION TO AWARD A CONTRACT TO WOODRUFF ENERGY AT \$8.84 PER DEKATHERM FOR A 12 MONTH PERIOD**

<b>MOTION:</b>	Commissioner Cuccia
<b>SECOND:</b>	Commissioner Close
<b>ROLL CALL VOTE:</b>	Unanimous

The NJ SEM did not receive bids for the 24 month contract period.

The next meeting was scheduled for March 5, at 10 am at Piscataway Township.

**MOTION TO ADJOURN**

<b>MOTION:</b>	Commissioner Evers
<b>SECOND:</b>	Commissioner Close
<b>VOTE:</b>	Unanimous

Meeting Adjourned: 1:35 PM

*Respectfully submitted,*

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Prepared by S. Sacco, Assistant Secretary

**NEW JERSEY SUSTAINABLE ENERGY JOINT MEETING**

**BY-LAWS**

**Dated: June 6, 2009**

**NEW JERSEY SUSTAINABLE ENERGY JOINT MEETING  
931 Haddon Avenue  
Collingswood, N.J. 08108**

**By-laws**

**Organized: June \_\_, 2009      By-laws Adopted: June \_\_, 2009**

**STATEMENT OF PURPOSE**

One of the largest and most unpredictable operating costs facing New Jersey municipalities today is that of natural gas, electricity and other forms of energy which have steadily increased over the past several years. In addition, the recent downturn in the New Jersey and Federal economies has made less public funds available to New Jersey municipalities to meet even their basic needs. Coupled with the rising costs and reduction of revenue is societal and regulatory pressures to reduce dependence on foreign oil, increase the use of energy from renewable sources and to reduce greenhouse gas emissions. These factors have all influenced the need of New Jersey municipalities to find better, more efficient and economical methods for addressing their energy needs.

New Jersey law authorizes the governing bodies of two or more municipalities to enter into a joint contract, for a period not to exceed forty (40) years to provide for joint operation of any public services, public improvements, and public works, facilities and undertakings that a municipality is empowered to operate. These joint services include the aggregation of municipal energy needs. As a result, several New Jersey municipalities determined it would be in the public's best interest to establish a sustainable energy joint meeting that would serve its members as a knowledge-based energy purchasing group designed to help New Jersey municipalities reduce their energy costs and ultimately meet their social and regulatory obligations.

The Joint Contract contemplates the creation of a State Management Committee, organized for governance into County Management Sub-Committees, and the appointment of a State Executive Committee and the appointment of an Executive Committee and its adoption of rules and regulations to provide for the conduct of its meetings and the duties and powers of the chairman and any other officers or employees appointed by the Management Committee or the Executive Committee. The adoption of these Bylaws satisfies this obligation.

## **ARTICLE I - DEFINITIONS**

The By-laws adopt the definitions set forth in N.J.S.A. 40A:65-3 by reference. For the purposes of the By-Laws, unless the context requires otherwise, the following words and phrases shall have the meanings indicated:

**"CHAIRMAN"** means a person elected by the Executive Committee to act as chairman of the Executive Committee and to otherwise administer and provide management of the meetings of the Management Committee. His or her responsibility to determine the agenda for each meeting of the Executive Committee, and ensure that each member of the Executive Committee operates in an efficient manner and in accordance with these Bylaws.

**"REPRESENTATIVE"** means the officer of the State Management Committee appointed to represent a Local Unit pursuant to Article 6 of the Joint Contract and Article 2 hereof, to serve on the State Executive Committee.

**"STATE EXECUTIVE COMMITTEE"** means the standing committee comprised of Representatives appointed by each respective County Sub-Committee Management Committee pursuant to Article 2 herein and Article 6 of the Joint Contract to serve as officers of the State Management Committee. The Executive Committee shall have the power to perform the day to day operations of the Management Committee, which shall be executed in the manner set forth in Article 3 hereof.

**"JOINT CONTRACT"** means the agreement entered into pursuant to N.J.S.A. 40A:65-1 et seq. between several of the New Jersey municipalities for the purposes of aggregating energy acquisitions and all other activities authorized under the agreement.

**"JOINT MEETING"** means the public body corporate and politic created by the execution of the Joint Contract.

**"LOCAL UNIT"** shall have the meaning set forth in N.J.S.A. 40A:65-3.

**"REPRESENTATIVE"** shall mean the person appointed by a Local Unit to serve on the State Management Committee pursuant to Article 2 herein and Article 6 of the Joint Contract

**"STATE MANAGEMENT COMMITTEE"** means the State Management Committee created and appointed pursuant to N.J.S.A. 40A:65-20 and Article 6 of the Joint Contract.

## **ARTICLE II - MEMBERSHIP**

Any Local Unit who has executed the Joint Contract is a Member of the Joint Meeting. As a Member of the Joint Meeting, each local unit is entitled to appoint one representative to the State Management Committee in accordance with the terms of the Joint Contract and these Bylaws.

These Bylaws shall constitute the rules and regulations governing the conduct of the meetings of the State Management Committee organized for governance purposes into respective County Management Sub-Committees and the State Executive Committee and the duties and powers of the State Management Committee and the State Executive Committee and its officers and employees.

### **ARTICLE III – ORGANIZATION**

#### **A. State Management Committee:**

1. Appointment:
  - a. Representatives: In the manner generally prescribed by law, each Member shall appoint one (1) Representative to the Joint Meeting who shall be a member of the governing body, or an employee or resident of the Member.
  - b. Alternate: Each Member may appoint one (1) alternate to attend either regular or special meetings on behalf of the Member in the absence of the Meeting Representative. The alternate shall exercise the full power and authority of the Meeting Representative in his/her absence, including the right to vote and shall be either a member of the governing body, or an employee or resident of the Member.
2. Terms of Office and Vacancy:
  - a. All terms of office shall expire on January 1st or until a successor is duly appointed and qualified.
  - b. A Representative shall hold office for a term of one (1) year.
  - c. Where a vacancy occurs, the unexpired term of a Representative, shall be filled by the Local Unit pursuant to such Unit's rules and regulations.
3. Responsibilities and Powers:
  - a. Each Representative shall be responsible to monitor all Meeting activities through attendance at meetings and/or examination of the monthly minutes and reports.
  - b. The Representatives are hereby authorized and empowered to operate the Meeting in accordance with these bylaws and appropriate state laws and regulations.
4. The State Management Committee shall serve co-terminously with their underlying office, until the January meeting of the following year, or until their successors are duly elected and qualified.

5. The executive committee shall oversee the Meeting professionals and the operation of the Meeting to assure compliance with these By-laws and applicable rules and regulations.

**B. County Management Sub-Committee:**

1. Organization:
  - a. The Representatives of each Member of the State Management Committee shall be organized into County Management Sub-Committees in order to provide a more efficient and representative management of the Members. Each County Management Sub-Committee shall be comprised of the Member representative of Parties within each respective County. Where a specific County has 10 or fewer Members, such Members must combine with an adjacent County or Counties to form a County Management Sub-Committee with a minimum of 10 Members.
2. Responsibilities and Powers:
  - a. Each County Management Sub-Committee shall be responsible to meet annually to elect a Representative to serve on the State Executive Committee and as necessary to discuss and review the policies, procedures and operation of the Joint Meeting..
  - b. The Representatives are hereby authorized and empowered to operate the Meeting in accordance with these bylaws and appropriate state laws and regulations.
3. The Representative serving on the state Executive Committee shall serve as the Chair of the County Management Sub-Committee.

**C. State Executive Committee:**

1. Organization

Each State Executive Committee shall be comprised of one Member representative elected by each respective County Management Sub-Committee. Each Member municipality or other Local Unit has agreed that its Representative on the State Management Committee is granted the power and authority to elect a representative from the respective County Management Sub-Committee to the State Executive Committee and that such Representative on the State Executive Committee has been delegated a proxy vote to vote on behalf of each Member within the respective County Sub-Committee in each Member's stead and with such Member's full authority. The state Executive

Committee shall select a Chairperson and Secretary and such other officers as deemed necessary for successful operation of the Joint Meeting.

- a. Chairperson: The chairperson shall preside at all meetings of the State Executive Committee and the State Management Committee and shall perform such other duties provided for in these bylaws and the laws and regulations of the State of New Jersey.
- b. Secretary: The secretary shall preside over the meetings of the Meeting State Executive Committee and the State Management Committee in the absence of the chairperson, maintain written minutes of its meetings, retain all books, records, files and other documents of the Meeting, and shall perform such other duties as provided for in these bylaws and the laws and regulations of the state of New Jersey.

The secretary shall have the responsibility to maintain the books and records of the Meeting at the office of the Meeting as from time to time designated by the Meeting Representatives, which office the secretary shall have free access to.

2. In the event of a vacancy in any of the officer positions caused by other than the expiration of the term of office, the Representatives on the state Executive Committee shall, by majority vote, fill the vacancy for the unexpired term.
3. Any officer can be removed without cause at any time by a two-thirds vote of the full membership of the Meeting Representatives. In this event, the full membership of the Meeting Representatives shall vote to fill the vacancy for the unexpired term.

#### **D. Professionals:**

At the January meeting, the Representatives/executive committee shall meet and select individuals to serve in the following professional positions. These individuals shall serve until the January meeting of the following year, or until a successor is duly appointed and qualified where permitted by law. Where required by law, all professional officials shall be retained pursuant to the "Local Public Contracts Law."

1. Executive Director:
  - a. The Executive Director shall not be a Representative of the Joint Meeting.
  - b. The Executive Director shall have the following duties and responsibilities:
    - i. Prepare for approval of the State Executive Committee and implement the Joint Meeting's rules and regulations.

- ii. Prepare the Joint Meeting's budget,
  - iii. Maintain the Joint Meeting's files, prepare new member submissions for review by the State Executive Committee, and supply data to other Joint Meeting professionals as needed.
  - iv. Maintain the Joint Meeting's general ledger, accounts payable and accounts receivable functions.
  - v. Coordinate the Joint Meeting's meeting agendas, minutes, elections, contracts, as well as, maintain the Joint Meeting's official records and office.
  - vi. Prepare all filings required by State regulators.
  - vii. Attend all meetings of the State Executive Committee.
  - viii. Perform such other duties specified by the State Executive Committee pertaining to the Executive Director.
  - ix. Assume overall Executive responsibility for the operations of the Joint Meeting except that the Executive Director shall not be responsible for the errors and omissions of any other servicing organization except as to generally monitor the compliance of said organization with the directions of the State Executive Committee, their service Provider contract, or applicable statutes and regulations as to form and timeliness of said undertakings.
2. Auditor: The auditor shall be an independent certified public accountant (CPA) or a registered municipal accountant (RMA) but shall not be a Representative. The auditor shall conduct the annual audit of the Meeting and shall perform such other duties as provided for by the State Executive Committee, these By-laws and the laws and regulations of the State of New Jersey.
3. General Counsel:
- a. The General Counsel shall be admitted to the New Jersey Bar but shall not be a Local Unit Representative.
  - b. The Attorney shall have the following responsibilities:
    - i. The Attorney shall advise the Meeting on legal matters and the appropriateness of actions recommended by the Joint Meeting professionals and consultants.
    - ii. The Attorney shall perform such other duties as provided for by the State Management Committee or the State Executive

Committee, these bylaws and the laws and regulations of the State of New Jersey.

4. Treasurer:
  - a. The Treasurer shall handle the financial affairs of the Joint Meeting including payment of accounts and all other financial operations of the Joint Meeting.
5. All Meeting professionals and consultants shall be retained on a contractual basis which shall be approved by the State Executive Committee.
6. Meeting professionals and consultants shall be compensated for their services pursuant to written fee guidelines submitted annually and approved by a majority of the State Executive Committee. The written fee schedule shall be part of the official contract.

**E. Indemnification Of Officers And Employees:**

1. The State Executive Committee, at their discretion may require the Auditor, Treasurer, Attorney or other professionals and/or consultants, to produce evidence of Errors and Omissions coverage, malpractice insurance and such other coverages as they deem advisable, as a condition of employment.
2. Except to the extent covered by Errors and Omissions insurance or malpractice insurance as may be required, as set forth above, the Joint Meeting shall indemnify any past, present or future Representative, Officer or Employee of the State Management Committee for claims arising from an act or omission of such Representative, Officer or Employee within the scope of the performance of such individuals' duties as Representative, Officer or Employee. Such defense and indemnification shall include reasonable attorney's fees, costs and expenses incurred in defending such claims. Nothing contained herein shall require the Joint Meeting to pay punitive damages or exemplary damages or damages arising from the commission of a crime by such an individual and the Joint Meeting shall not be required to provide for the defense or indemnification of such an individual when the act or omission which caused the injury was the result of actual fraud, malice, gross negligence or willful misconduct of such individual or in the event of a claim against such an individual by the State of New Jersey or if such Representative, Officer or Employee is either covered, or required to be covered by Errors and Omissions liability insurance or other liability insurance.

The determination as to whether an individual's conduct falls within any of the above exceptions shall be made by the State Executive Committee. Nothing herein contained is intended to shield any Officer or Employee from liability for any act, omission or wrongdoing which would not customarily be covered by

Errors and Omissions insurance if same had been required of said Employee or Officer.

3. A present, past or future Representative, Officer or Employee shall not be entitled to a defense or indemnification from the Joint Meeting unless:
  - a. Within ten (10) calendar days of the time he or she is served with the summons, complaint, process, notice or pleading, he or she delivers the original or exact copy to the State Executive Committee Chairman with a copy to the General Counsel and Executive Director, together with a written request that the Joint Meeting provide for his or her defense.
  - b. He or she cooperates in the preparation and presentation of the defense with the attorney selected to defend the case.
  - c. He or she agrees that the Joint Meeting and its counsel shall have exclusive control over the handling of the litigation, and the right to settle the litigation, except in those instances where a conflict of interest exists, as determined by an attorney selected by the Executive Standing Committee to handle such matters.
4. The forgoing right of indemnification shall not be exclusive of any other rights to which any Representative, Officer or Employee may be entitled as a matter of law or which may be lawfully granted to him or her; and the right to indemnification hereby granted by the Joint Meeting shall be in addition to and not in restriction or limitation of any other privilege or power which the Joint Meeting, State Management Committee or State Executive Committee may lawfully exercise with respect to the indemnification or reimbursement of a Representative, Officer or Employee; except that in no event shall a Representative, Officer or Employee receive compensation in excess of the full amount of a claim and reasonable costs and expense incurred in defending such claim.
5. Expenses incurred by any Representative, Officer or Employee in defending an action, suit or proceeding may be paid by the Joint Meeting in advance of final determination of such action, suit or proceeding as authorized by the Executive Standing Committee in a specific case upon receipt of an undertaking by or on behalf of such Representative, Officer or Employee to repay such amount in the event of an ultimate determination that his or her conduct was such as to fall outside the scope of coverage under this indemnification provision.

#### **ARTICLE IV -OPERATION OF THE MEETING**

##### **A. General Operation:**

1. The Meeting shall be subject to and operate in compliance with the provisions of the Local Fiscal Affairs Law (N.J.S.A. 40A:5-1 et seq.), the Local Public

Contracts Law (N.J.S.A. 40A:11-1 et seq.), the "Local Government Ethics Law" (N.J.S.A. 40A:9-1, et.seq.) the Uniform Shared Services and Consolidation Act (N.J.S.A. 40A:65-1, et. seq.) and the various statutes authorizing the interlocal provision of services or procuring of products or services by Local Units.

2. The Joint Meeting shall be considered a Local Unit for purposes of the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.) and shall be governed by the provisions of that law in the purchase of any goods, materials, supplies and services.
3. The Joint Meeting shall be operated with sufficient aggregate financial strength and liquidity to assure that all obligations will be promptly met. The Meeting shall prepare a financial statement on a form acceptable to the State Executive Committee showing the financial ability of the Joint Meeting to meet its obligations.

**B. Financial Statement And Reports:**

1. The Executive Standing Committee shall provide the members of the Management Committee with periodic reports concerning the activities of the Executive Standing Committee and status of the Joint Meeting for the reporting period. Such reports shall be made at least semi-annually and may be made more frequently at the discretion of the Executive Standing Committee.

**ARTICLE V - MEETINGS AND RULES OF ORDER**

**A. Meetings:**

1. Annual Organization Meeting - The County Management Sub-Committees shall meet in January of each calendar year to elect a Representative to serve on the State Executive Committee, and conduct such other business as is necessary. The time and place for the meeting shall be established by the County Sub-Committee Chairperson, and the secretary shall send written notice to each Member at least two (2) weeks in advance.
2. Business Meetings - The State Executive Committee and each County Management Sub-Committee shall establish a schedule of meetings to conduct the business of the Joint Meeting.
3. Special Meetings - The chairperson or three (3) Representatives on the State Executive Committee may call a special meeting by notifying the State Executive Committee secretary at least three (3) days in advance. The secretary shall notify the State Executive Committee by telephone. If the secretary is unable to reach a Representative as of forty-eight (48) hours before the meeting, the secretary shall telephone the alternate Representative. The same procedure will apply in each of the County Sub-Committees.

4. Quorum - The quorum for a meeting of any body shall be the number of Representatives which together comprise the majority of the Meeting's members
5. State Executive Committee Quorum - A quorum for State Executive Committee meetings shall be a majority of the total Committee.

**B. Conduct of Meetings:**

1. All meetings of the Joint Meeting shall be subject to the rules and regulations of the Open Public Meetings Act.
2. Unless otherwise provided in these bylaws, or in the laws or regulations of the State of New Jersey, "Robert's Rules of Order" shall govern the conduct of all meetings.

**C. Amendments to The By-laws:**

1. Any Representative may propose an amendment to the By-laws by filing the proposed amendment in writing with the Secretary.
2. Upon receipt of a proposed amendment, the Secretary shall notify the Chairperson of the State Executive Committee who shall schedule a hearing to be held not more than ninety (90) days from the date the amendment was filed. The Secretary shall notify in writing all Representatives of the hearing date and shall send all Meeting Representatives a copy of the proposed amendment.
3. The proposed amendment must first be considered by the State Executive Committee and approved by a majority vote of the Representatives to refer the amendment to the Joint Meeting for vote by the Members.
4. The amendment is adopted by the Joint Meeting when the Representatives representing three-fourths (3/4) of the membership approve the amendment within six (6) months of the hearing on the amendment. If after six (6) months the Secretary has not received written notice of approval from three-fourths (3/4) of the Representatives, the Secretary shall notify the Members that time has expired for the adoption of the amendment.

**ARTICLE VI - BUDGETS**

**A. Budget Preparation:**

1. In or before October of each year, the Joint Meeting shall prepare the budget for the upcoming calendar year. The budget shall identify the proposed items and amounts of expenditure for its operations, the anticipated amounts and sources of assessments and other income to be received during the fiscal year.

**B. Budget Adoption:**

1. Not later than November 30th of each year the State Executive Committee shall adopt by majority vote the budget for the Meeting's operation for the coming calendar year.
2. A copy of the Joint Meeting's proposed budget shall be sent to each Member at least two (2) weeks prior to the time scheduled for its adoption. No budget or amendment shall be adopted until a hearing has been held giving all Members the opportunity to present comments or objections.
3. An adopted budget may be amended by majority vote of the State Executive Committee after giving the Members two (2) weeks advance written notice and conducting a hearing on the proposed amendment.

**ARTICLE VII - CONFLICT OF INTEREST**

**A.** No official or employee of a Member or any members of the family of such officials or employees, or any businesses in which such officials, employees or family members have a beneficial interest shall seek to obtain or participate in any contract to be entered into by the Joint Meeting for administration, energy aggregation, training or education services or any other service, commodity or material without first fully disclosing in writing the nature and extent of such interest, financial or otherwise, to the State Executive Committee. It shall be the responsibility of the State Executive Committee to determine if the interest so disclosed is such as to constitute an actual or potential conflict of such degree as to impair the ability of the officer, employee, family member or business from fully and impartially performing the duties required by the Joint Meeting. If so, the officer, employee, family member or business shall be prohibited from entering into such contract until the cause of such conflict is removed.

**B.** Any contract entered into between the Joint Meeting and any individual, firm, corporation or agency which fails to disclose an actual or potential conflict situation shall be void.

**C.** There shall be no collusion or evidence or appearance of collusion, between any official or employee of the members or employees of the Joint Meeting and any official or employee of any contractor, vendor, bank, consultant, or any other profit making or non-profit firm attempting to solicit a contract with the Meeting or awarded a contract by the Meeting.

**ARTICLE VIII - VOLUNTARY DISSOLUTION OF THE JOINT MEETING**

**A.** If the State Executive Committee deems it in the best interest of the Members to dissolve the Joint Meeting, they shall by majority vote direct that a written Plan of Dissolution be prepared.

**B.** The Plan of Dissolution must provide for the payment of all incurred liabilities of the Joint Meeting and its Members, including all incurred but not reported liabilities, as certified by an auditor, before any assets of the Joint Meeting may be used for any other purpose.

**C.** Upon completion of the Plan, the Chairperson shall call a general meeting of all Meeting Representatives who shall review the Plan and make any appropriate amendments. By majority vote, the Meeting Representatives may recommend to the Members that the Meeting be dissolved in accordance with the Plan of Dissolution.

**D.** A majority of the governing bodies of the Members must by resolution vote to accept the Plan of Dissolution in order to dissolve the Meeting.

**E.** Such Plan of Dissolution shall contain a statement of the Joint Meeting's current financial condition computed according to generally accepted accounting principles as attested to by an independent certified accountant.

#### **ARTICLE IX - COMPLAINTS HANDLING PROCEDURE**

**A.** Whenever any interested party shall submit a complaint in writing to the Joint Meeting, the Executive Director, or any member of the Joint Meeting, a copy thereof shall be forthwith communicated to the State Executive Committee for consideration at its next regularly scheduled meeting.

**B.** At said meeting the State Executive Committee shall consider the complaint, and by recorded vote take such action as might be appropriate.

**C.** The complaining party, and its Representative, shall receive written notice of the State Executive Committee findings. The written notice to the complaining party may, where appropriate, include an opportunity for the complaining party to have a hearing concerning his/her complaint before the State Executive Committee.

**D.** The Meeting shall keep a separate record of all complaints received and the disposition of same.

#### **ARTICLE XV - OTHER CONDITIONS**

**A. Notice Of Claim Or Suit:**

If claim is made or formal petition or a suit or other proceedings are brought against the Member in connection with the Joint Meeting or its operations, the Member shall immediately forward to the Joint Meeting every demand, notice, summons or other process received by him or his representative.

**B. Assistance And Cooperation Of The Member:**

The Member shall cooperate with the Joint Meeting.

**C. Conformance With Statute:**

In the event any portion of these bylaws conflict with any statute or administrative regulation covering Joint Meetings, the provision of any such regulation shall control to the extent it conflicts. Notwithstanding the provisions of Article V Article C, the State Executive Committee as appropriate, may by majority vote, amend these bylaws to conform with any statute or administrative regulation to the extent of any such conflict.

THUS DONE, READ AND PASSED this \_\_ day of June, 2009.