



STERLING LAW FIRM

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May 8, 2011

Leslie London, Esq.
McManimon & Scotland
1037 Raymond Blvd., Suite 400
Newark, NJ 07102

Re: Eric Watson
Your client: P.M.U.A.

Dear Ms. London:

I have reviewed the terms of the Employment Agreement; I have also taken into consideration our discussion held last Wednesday May 4, 2011 regarding Mr. Watson's separation from the P.M.U.A. We have identified and can established that Mr. Watson's contribution to the formation of the P.M.U.A was unparalleled and was the foundation on which the P.M.U.A. was built. His dedication, years of service since 1995 and the fact that he is not truly leaving his position as the Executive Director of the P.M.U.A of his entire free will, make it imperative that he be granted the rights which have clearly eluded him based on his treatment in the last few months. Mr. Watson has stated that on many occasions, as he felt embattled and unsupported by the Township. It is obvious based upon the circumstances of his separation that he was forced out.

In addition Mr. Watson ran a department that was unique to New Jersey that is he ran a solid waste as well as a sanitary sewer program. He was not paid any extra for this. In addition he structured the P.M.U.A. to be of maximum benefits to the people of Plainfield hiring its residents. The satisfaction of his workers shows by the fact that there is no union in the PMUA. This fact speaks volume to his success as a Director.

He has taken the department from a losing entity to a multimillion agency. Accordingly, he should be awarded the full benefits of his Employment Agreement. In addition the Agreement does not have any provisions that specifically speak to this sort of separation, so **Section 3.3** should be the determining section as all other sections dealing with this clearly does not apply. Ultimately this is the decision of the Township. Accordingly, due to the foregoing, the following is Mr. Watson's demand based upon the Employment Agreement.

By paragraphs;

2.1. Provides Mr. Watson a starting salary of \$148,666.40 with a minimum of four 4% per year increase. Accordingly, Mr. Watson is requesting all the merit increases to which he would have been entitled, for a total to the end of the contract period to December 31, 2013 of **\$385,520.00**

2. 2. Gives Mr. Watson twenty accumulated paid sick days. Accordingly, he is entitled to all his sick days per year, paid up to the end of the contract through December 31, 2011 of 22 days per year for a total 44 days, total owed **\$26,165.00.**

2.4. Mr. Watson requests that he obtains the cash payment for his thirty days vacation for each year for the duration of the contract period for the next three years to December 31, 2013, of 31 days for a total of 62 days total owed would be **\$36, 869.00**

2.6. Mr. Watson is also seeking full retirement benefits as if he had worked until the end of his contract period and that if not then he be fully vests in the pension for full medicals, etc.

2.10. Mr. Watson is requesting that all benefits including medical and dental insurance be paid by the P.M.U.A. and continues for the duration of the contract period and up to one year post contract period.

3.2. Mr. Watson would be entitled to his full salary for the entire time of the contract up until December 31, 2013. In addition he would be entitled to one month severance pay for each year of service which would be in addition to his full salary benefits. Therefore, he requests that those be awarded him based upon his years of service and the manner in which he is leaving the employ of the P.M.U.A. for each year of service for 16 years for the total severance payment of **\$206,144.00**

Current unpaid Benefits:

In addition Mr. Watson is currently owed 33 days for unpaid vacation pay as of 6/30/2011 for a total of **\$19, 624.00**

The current balance owed him for his unpaid or unused allotted sick time pay is for 75.5 days for a total of **\$44,897.00.** For a total of **\$64,521.00**

The total amount being requested based upon the Agreement for Severance pay without the currently owed vacation and sick pay benefits accrued and unpaid is **\$655.699.00.**

With the Unpaid accrued time up to the end of the contract period the grand total would be **\$720,220.00**

Mr. Watson and Mr. Ervin should be honored for their years of dedication to the P.M.U.A. at an awards ceremony. The environment fair held in September would be great time for such an honor. Mr. Watson would work with you to properly identify such an honor. He understands the pressures of properly administering and moving the waste

for the people of Plainfield. He also understands that the Commissioners want an end to this situation based upon the fact that they have located and name a successor. Mr. Watson hope is to facilitate these changes. However, he believes that this matter was handled indelicately to say the least. His cooperation in facilitating a smooth transition for the effective continuation of the P.M.U.A. is assured.

It is not Mr. Watson's intent to burden the P.M.U.A.; however, he does believe that contractually he is entitled to the full benefits agreed to in the Agreement. Mr. Watson understands the pressures and the need for a smooth transition for the effective running of the P.M.U.A. His goal of course is to facilitate this change. Accordingly, he is willing once these negotiations are completed to assist the PMUA as a consultant. The terms of which can be agreed upon by mutual consent. Such support will commence immediately after the end of this agreement and will continue until it such reasonable time in which to accomplish the proper transition.

Please enlighten me regarding the P.M.U.A.'s position. Of course the severance package being demanded can be paid over a period of time up to the end of the contract period. If you have any further questions or concerns, please do not hesitate to contact our office.

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Very truly yours,
STERLING LAW FIRM
/s/ Yvette Sterling

By: Yvette C. Sterling, Esq.
YCS/ycs

Cc: Eric Watson