

THE CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

MINUTES OF THE REGULAR MEETING HELD ON APRIL 18, 2011

The Regular Meeting of The Camden County Municipal Utilities Authority was called to order by Chairwoman Dixon at 6:02 P.M. The meeting was held at the Administration Building located at 1645 Ferry Avenue, Camden, New Jersey. On roll call, the Commissioners responded to their names as follows:

Commissioner	Biondi	-	YES
"	Burley	-	YES
"	Engelbert	-	ABSENT
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Swartz	-	ABSENT
"	Wu	-	YES
Chairwoman	Dixon	-	YES

STAFF PRESENT:

Mark J. Lonetto, Executive Director
Andrew Kricun, P.E., Chief Eng./Deputy Dir.
Katherine Wade, Attorney
John Werner, Chief Financial Officer

Robert Cornforth, Director of O&M
Helen A. Troxell, Authority Secretary
Kim Michelini, Assistant Authority Secretary

CONSULTANTS:

Bob Serpenti, D&B/Guarino

OTHERS PRESENT:

None

Chairwoman Dixon read the 'Chairperson's Commencement Statement' acknowledging that proper notice of this Regular Meeting setting forth the date, time and place of the meeting has been prominently posted on (1) a public bulletin board located in the lobby of the Administration building (2) mailed to the Courier-Post and Inquirer and (3) filed with the Clerk of Camden County on February 2, 2011 as set forth in its annual schedule of meetings, in compliance with the Open Public Meetings Law.

ADOPTION OF MINUTES:

A motion was made by Commissioner Burley and seconded by Commissioner McKernan to adopt the Minutes of the Regular Meeting held on March 21, 2011. There being no question on the motion, a roll call was taken. On roll call, the Commissioners responded to their names as follows:

Commissioner	Biondi	-	YES
"	Burley	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

The motion was carried.

EXECUTIVE DIRECTOR'S REPORT:

I) ITEMS FOR DISCUSSION:

A) Administration:

- 1) Environmental Management System – April 2011 Report
- 2) April 20, 2011 Earth Day Event
Commissioner Wu commented that this event will be another positive light on the CCMUA. Chairwoman Dixon asked which Commissioners were planning on attending the event to which Commissioners Wu, Burley and MacFarlane indicated that they were planning on attending.
- 3) Camden County Wastewater Management Plan- 4/5/11 Public Hearing
- 4) April 4, 2011 USEPA Brownfields Conference
Commissioner Wu commented that he attended the Brownfields Conference which was sponsored by EPA and the National City and County Management Association. The conference was well attended with over 6500 attendees. Commissioner Wu indicated that Mr. Kricun participated in this conference in a panel discussion with the City of Philadelphia called “Two Cities, One River” where the Green Infrastructure Program was discussed. The CCMUA’s goal is to improve the combined sewer system with rain gardens to reduce flooding in Camden enhance the water quality of the river as well as enhance the quality of life for the Camden residents. Commissioner Wu continued by stating that the CCMUA was introduced as a National Biosolids Certification recipient, of which there are 31 other such agencies across the U.S. Commissioner Wu thanked Mr. Kricun for his presentation at the conference and for helping put the CCMUA in such a positive light.

Commissioner Wu added that during the conference he attended a workshop on solar energy. He indicated that it appeared that solar energy looked to be the way of the future and is a viable green energy alternative- one which the CCMUA should investigate.

B) Engineering:

- 1) April 7, 2011 Bid Opening- Construction of Gateway Park
- 2) Sludge Drying Facility- Operations Contract with Synagro- May 9, 2011 Public Hearing
- 3) Sludge Drying Facility- Change Order to Komline Sanderson

C) Legal:

- 1) Update of Drug/Alcohol Policy

D) Finance:

- 1) Voucher Payment Resolutions - Report on Emergency Payments
Commissioner MacFarlane commented that he hoped the sludge dryers would help address the continuing issue of sludge disposal costs. As the plant performs well, there is an increase in removal of solids, thereby increasing the volume of sludge to be disposed of. Commissioner MacFarlane acknowledged that while there is a positive effect on the environment, there is an increase in the cost associated with the disposal of the additional solids.

Mr. Werner agreed that there is an increase in solids, however, he noted that the current cost/ton for disposal is low compared to the cost/ton we have historically paid. The O&M staff has made great efforts to utilize vendors accordingly. Mr. Werner indicated that the cost/ton for disposal was approximately \$76.

Chairwoman Dixon asked Mr. Werner if it was thought that we may have been a little ambitious in our estimate on connection fees to which Mr. Werner responded yes. However, Mr. Werner continued, the CCMUA recently received \$600,000 in connection fees which will help toward the projected number. In addition, there are several major projects that we are monitoring for connection fees- Cooper/Rowan Medical School and a Rutgers dormitory in Camden, and several building(s) surrounding Virtua Hospital in Voorhees.

E) Operations & Maintenance:

II) INFORMATIONAL ITEMS:

Administration:

- a) CCMUA Organizational Chart – March 2011
- b) Personnel Department Update – March 2011

Finance:

- c) Collection Report for March 2011
- d) Budget Review Report for March 2012
- e) Cash Management Report – February 2011
- f) Accounts Receivable Collection & Aging Report

Operations & Maintenance:

- g) Delaware No. 1 WPCF and Winslow STP - Discharge Monitoring Report – February 2011
- h) Delaware No. 1 WPCF and Winslow STP - Sludge Quality Assurance Report – January 2011
- i) Delaware No. 1 WPCF and Winslow STP – Operations Report – February 2011

PUBLIC PARTICIPATION ON PROPOSED RESOLUTIONS: None

OLD BUSINESS: None

NEW BUSINESS:

A motion was made by Commissioner MacFarlane and seconded by Commissioner Biondi to adopt Resolution #R-11:4-49, authorizing Shared Services Agreement with County of Camden. There being no question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

Commissioner	Biondi	-	YES
"	Burley	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:4-49 was adopted.

A motion was made by Commissioner Burley and seconded by Commissioner MacFarlane to adopt Resolution #R-11:4-50, authorizing the execution of an agreement between the CCMUA and Fresh Creek Technologies, Cedar Grove, New Jersey for supply and delivery of disposable nets in accordance with Specification #11-03. Commissioner McKernan stated for the record that he spoke to Mr. Cornforth regarding the fact that there was only one bidder and noted that Mr. Cornforth advised that historically there have been two bidders on this contract. The entity receiving the award of contract has always been the low bidder so it is assumed that the second bidder may have dropped out of the bidding process for that reason. Mr. Lonetto stated that Mr. Cornforth indicated at a recent staff meeting that the CCMUA was investigating the possibility of making its own nets as Gloucester City does, which would be at a significantly reduced cost. Mr. Cornforth acknowledged that they would be talking to staff at Gloucester City on this matter, seeking their assistance. There being no further question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

Commissioner	Biondi	-	YES
"	Burley	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:4-50 was adopted.

A motion was made by Commissioner McKernan and seconded by Commissioner Biondi to adopt Resolution #R-11:4-51, authorizing the execution of an agreement between the CCMUA and Spectraserv, Inc., of South Kearny, New Jersey and RJM Services, Inc., of Gloucester City, New Jersey for the hauling and disposal of dewatered sludge cake in accordance with Specification #11-02A. Commissioner MacFarlane noted that the bid responses were close in price. Mr. Cornforth stated that there are no guaranteed minimum quantities in this contract and the CCMUA can terminate the contract at any time, if necessary as with the start up of the new dryer facility. This contract is approximately \$.50 cheaper per ton than the contract awarded at the last Authority meeting. The difference here is this contract is for hauling and disposal which is typically landfill disposal, whereas the contract awarded last month is for hauling and beneficial reuse, making the handling and disposal different under each contract. Mr. Lonetto indicated there has been indication that the state of the economy is helping drive the price- i.e., landfills are looking for revenue and are lowering their price in order to do so. There being no further question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

Commissioner	Biondi	-	YES
"	Burley	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:4-51 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner McKernan to adopt Resolution #R-11:4-52, making application to the Local Finance Board pursuant to N.J.S.A. 40A:5a-6 AND 58:11B-9(a). There being no question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

Commissioner	Biondi	-	YES
"	Burley	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:4-52 was adopted.

A motion was made by Commissioner McKernan and seconded by Commissioner Burley to adopt Resolution #R-11:4-53, regarding "Drug and Alcohol Policy". Commissioner Biondi asked for clarification on the recommended policy change. Mr. Cornforth responded that this change in policy is in conformance with a recent change in the law. Direct observation is only allowed under very specific circumstances. He explained that for a normal/routine drug screen, direct observation will not occur. However, should the sample appear to have been altered, be out of temperature range, or if the donor has previously failed, the regulations call for direct observation. Commissioner Biondi asked if the CCMUA was responsible for having trained observers available to which Mr. Lonetto and Mr. Cornforth indicated that the CCMUA would be utilizing its Drug & Alcohol Policy Administrators, Ambassador Medical, for these situations where possible. There being no further question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

Commissioner	Biondi	-	YES
"	Burley	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:4-53 was adopted.

A motion was made by Commissioner McKernan and seconded by Commissioner Biondi to adopt Resolution #R-11:4-54, authorizing award of the Gateway Park Construction Contract to Luzon, Inc.. Commissioner Wu asked for an update to the project completion date to which Mr. Kricun responded that the construction of the park, including four rain gardens and pathway was anticipated to be complete by the end of June. There being no further question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

Commissioner	Biondi	-	YES
"	Burley	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:4-54 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Biondi to adopt Resolution #R-11:4-55, approving an Amendment to the CCMUA's Equipment Procurement Contract with Komline Sanderson, for provision of sludge drying equipment. Mr. Kricun clarified the reason for this contract amendment. The construction of the sludge dryers is substantially complete. The CCMUA has, in parallel, been negotiating the operations contract with Synagro. It was originally thought that the operations contract would be awarded in advance of the completion of the construction of the dryers, however, that has not occurred as the operations contract negotiations have taken longer than anticipated. The Board, at last month's meeting, approved a contract amendment allowing for temporary operation of the dryers during the testing phase. The original construction contract did not include disposal of any dried byproduct produced. Therefore, the dried byproduct produced during the testing phase will need to be disposed of and it makes sense that Synagro do so since they have the contacts already in place in anticipation of the 10 year operation contract. Mr. Kricun added that the negotiations have been tough on both sides as it is a 10 year, \$25 million contract which has a lot of ramifications for the Authority as far as our odor control performance is concerned. Mr. Kricun indicated that it was anticipated that within 60 days, the CCMUA would have the formal operational contract in place.

Commissioner MacFarlane noted that the PCFA had a contract with Waste Management to dispose of the ash from the incinerator. There was a clause in that contract that if PCFA came up with a beneficial reuse/alternative, they could avoid having the ash going to Waste Management. This resulted in a lawsuit which PCFA won which saved them millions of dollars. Mr. Kricun acknowledged that the CCMUA has a similar clause in that if the CCMUA is able to find a more cost effective of the distribution of the byproduct, then we can, at our discretion, cut them out from the distribution portion of the contract. They would maintain the responsibility for the operation and maintenance of the dryers as well as the transportation of the dried biosolids. This was negotiated into the contract since the Authority is aware of at least three potential opportunities with other municipalities to accept the dried byproduct. The Authority needed to ensure that it maintained the ability to explore other alternatives and not be locked into the higher price.

Commissioner McKernan asked if the liquidated damages issues had been settled, to which Mr. Kricun stated yes, it is \$1000/event and strict liability. There are five parameters that they must meet and record at all times: 1) keep negative pressure in the building; 2) record the blowers; 3) keep fresh carbon within spec in the filters at all times; 4) keep all doors and windows closed/open at all times and 5) best practices.

There being no further question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

Commissioner	Biondi	-	YES
"	Burley	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:4-55 was adopted.

A motion was made by Commissioner McKernan and seconded by Commissioner Biondi to adopt Resolution #R-11:4-56, authorizing entering into an agreement for provision of landscaping services pursuant to a shared services competitive RFP procured with the County of Camden. Commissioner MacFarlane asked if this contract involved the same issue as that of the shared services contract for security services. Mr. Lonetto explained that the security contract that was awarded under shared services had the Authority paying considerably more than when we bid it ourselves. Therefore, in this instance, the County took the CCMUA's concerns regarding the price received and inability to withdrawal from the security specification into consideration when preparing the landscaping specification. The CCMUA was noted as an alternative in this bid and if the price was not acceptable, we could reject and complete the bid process on our own. There being no further question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

Commissioner	Biondi	-	YES
"	Burley	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:4-56 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner Burley to adopt Resolution #R-11:4-57, ratifying approval of expense vouchers as approved by the Executive Director under authorization granted by CCMUA Resolution #R-97:3-60, dated March 17, 1997. There being no question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

Commissioner	Biondi	-	YES
"	Burley	-	YES
"	MacFarlane	-	YES
"	McKernan	-	ABSTAIN
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:4-57 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner McKernan to adopt Resolution #R-11:4-58, authorizing payment of \$3,276,958.45 for expenses disbursed from various trust accounts. There being no question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

Commissioner	Biondi	-	YES
"	Burley	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:4-58 was adopted.

PUBLIC PARTICIPATION:

None

A motion was made by Commissioner McKernan and seconded by Commissioner MacFarlane to extend congratulations to Mark Lonetto on his retirement and commend him for his many years of public service and to recommend that Andrew Kricun be appointed as the Executive Director effective upon Mr. Lonetto's departure on June 1, 2011. There being no question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

Commissioner	Biondi	-	YES
"	Burley	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

The motion was carried.

There being no further business, Chairwoman Dixon entertained for a motion of adjournment. A motion was made by Commissioner and seconded by Commissioner. The meeting adjourned at on a unanimous vote.

Minutes of this meeting were approved on May 16, 2011

Respectfully Submitted,



 Kim Michelini
 Assistant Authority Secretary