

THE CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

MINUTES OF THE REGULAR MEETING HELD ON MARCH 19, 2012

The Regular Meeting of The Camden County Municipal Utilities Authority was called to order by Chairwoman Dixon at 6:00 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
"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Swartz	-	ABSENT
"	Wu	-	YES
Chairwoman	Dixon	-	YES

STAFF PRESENT:

Andrew Kricun, Executive Director
Laurence E. Rosoff, Solicitor
John Werner, Chief Financial Officer

Robert Cornforth, Director of O&M
Kim Michelini, Authority Secretary
Alisa Smith, Secretarial Assistant

CONSULTANTS:

Chuck Sanguinito, Atlantic States
Alan Parry, Synagro
Ed DiMond, Buchart Horn, Inc.
Bob Serpente, 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 1, 2012 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 Biondi to adopt the Minutes of the Regular Meeting held on February 21, 2012. 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
"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	ABSTAIN
"	Wu	-	YES
Chairwoman	Dixon	-	YES

The motion was carried.

EXECUTIVE DIRECTOR'S REPORT:

Commissioner Engelbert stated that he was privileged to inform the Chairwoman and the Board of Commissioners that the Ethics Program of Villanova University is presenting to Andrew Kricun the sixth annual Praxis Award for Professional Ethics on April 11th. He added that the Board appreciates the high quality of professional work that Andy performs for the CCMUA. The Board of Commissioners should not only be proud

of their Executive Director for his receipt of Villanova's Ethics Award, but should also be comforted by the fact that his ethical actions each and every day at the CCMUA protects each Commissioner as a member of this Board. The Board congratulates Mr. Kricun and wishes him many similar honors in the future.

I) ITEMS FOR DISCUSSION:

A) Administration:

- 1) Environmental Management System – March 2012 Report
Commissioner Wu commented that last month it was reported that the dryers had turned the corner where problems were concerned; however, problems with the dryers persist. He added that he is concerned with the ongoing problems associated with the start up of the dryers and the fact that the problems have not been isolated. Commissioner Wu suggested that the manufacturer, Komline, attend the next Board meeting so that the Board can question them regarding the problems we are encountering with the dryers. Mr. Kricun replied that yes, we can request that Komline attend the next Board meeting. However, by way of further explanation, Mr. Kricun noted that after several false leads, including mechanical failures, the problem has likely been identified as an inherent incompatibility between our sludge and their dryer as designed. This is not an uncorrectable problem. The question is what to do about it? Komline and the CCMUA agree that since the problem is that the sludge is incompatible to the dryer, modifications have to be made to either the sludge, which we are exploring, or to the downstream conveyor system or both. Commissioner Bresch added that he too would like the opportunity to talk to the manufacturer since it appears that the manufacturer is “tweaking” the system rather than offering the best solution. Mr. Kricun added that he would address the matter in further detail during closed session.
- 2) AEA Wave Award- nomination
- 3) Biofilter Project Completion

B) Engineering:

- 1) Change order- CES (design engineering services for Atlantic Basin Interceptor Expansion project)
- 2) Change order- D&B/Guarino (design engineering services for Atlantic Basin Interceptor Expansion project)
- 3) Award of Contract 324, 325, 326, 360, 364, 365 & 409A

Mr. Kricun thanked the Board for being accommodating with regard to the seven Atlantic Basin Contracts, specifically the compressed schedule for the seven contracts listed on tonight's agenda for award. The CCMUA did not receive approval from NJDEP until February 15th. The deadline for funding is March 26, 2012. Failure to meet the funding deadline would result in a loss of a \$2 million dollar grant which is available this year only and 75% interest free funding versus 50% interest free next year. Therefore, in order to have 30 days time in which to bid, the bid opening was scheduled for March 14th and 15th. This was after the folders were delivered to the Board. One bid matter will be discussed during closed session.

C) Legal:

D) Operations & Maintenance:

- 1) FEMA Reimbursement- Hurricane Irene August 2011

E) Finance:

- 1) Voucher Payment Resolutions - Report on Emergency Payments

II) INFORMATIONAL ITEMS:

A) Administration:

- 1) CCMUA Organizational Chart – as of March 6, 2012
- 2) Personnel Department Update – as of March 6, 2012

B) Finance:

- 1) Collections Report for February 2012
Commissioner Wu asked for an explanation to the Collection Report, specifically regarding connection fees as he noted that collection fees appear to be out of sync. Mr. Werner commented that there are some connection fees that are outstanding and hope to receive by the end of the year. In addition, he added that the housing market has not improved which has impacts us. As long as that continues to have a negative impact, we will not see an improvement in the area. Once in a while we receive a large connection

fee, but we have seen a reduction in the single connection fees due to the decline in the housing market. Mr. Kricun added that we budgeted a flat rate of \$260,000 per month, when in reality it is seasonal. For instance, in the winter there is less connection fees received. Mr. Werner commented that it is difficult to forecast and budget since there are so many variables. The additional flow allowed as a result of the Atlantic Basin project will certainly help. Mr. Kricun stated that it is estimated that the project will bring in \$50 million in revenue over time.

- 2) Budget Review Report for February 2012
Commissioner MacFarlane stated that the fact that the sludge dryers are not yet fully operational has had a negative impact both operationally and financially. He asked if the amount of lost savings compared to the cost of the fix has been calculated since we are almost a year out from the initial date of completion. Mr. Kricun replied that it could easily be calculated, however, that is a matter for closed session. Mr. Werner and Mr. Kricun agreed that the budget overruns are mainly due to the additional sludge disposal costs associated with the delays in completion of the sludge dryers.

- 3) Cash Management Report – January 2011

C) **Operations & Maintenance:**

- 1) Del. No. 1 WPCF & Winslow STP- Discharge Monitoring Report (Jan 2012)
- 2) Del. No. 1 WPCF & Winslow STP- Sludge Quality Assurance Report (Dec 2011)
- 3) Del. No. 1 WPCF & Winslow STP- Operations Report (Jan 2012)

PUBLIC PARTICIPATION ON PROPOSED RESOLUTIONS: NONE

OLD BUSINESS: NONE

NEW BUSINESS:

A motion was made by Commissioner Biondi and seconded by Commissioner Engelbert to adopt Resolution #R-12:3-47, authorizing the execution of an agreement between the CCMUA and Brook Valley Kydaha Inc., of Freeport, New York for providing professional street sweeping at the CCMUA facilities located at the 1645 Ferry Avenue and 2nd and Jackson Street in accordance with Specification #11-30. Commissioner Engelbert asked Mr. Cornforth what procedure would be followed for this contract. Mr. Cornforth replied that this is the third time bidding this item and the first time we have awarded to Kydaha. The contract calls for them to visit automatically once a week and spend six hours between the plant, the admin building and some of the roads around the immediate vicinity to our plant. This is to be done for the flat rate quoted. However, there is an hourly rate quoted for when there is a need for additional services when needed. Chairwoman Dixon asked if this was a matter that should fall under shared services. Mr. Kricun replied that he believed that it was covered under a shared services agreement at one time but didn't work out very well. Mr. Cornforth confirmed that this was the case, adding that this service is needed to be completed on a consistent basis given the nature of our business. Commissioner MacFarlane noted that their office was in New York and wondered if this would create a problem for the CCMUA. Mr. Cornforth said that if the vendor defaults, we would go to the second low bidder. Commissioner Bresch asked if the six hours included travel time to/from the CCMUA. Mr. Cornforth clarified that it did not; the six hours is actual time on site spent sweeping the CCMUA facilities. 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
"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:3-47 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner Engelbert to adopt Resolution #R-12:3-48, authorizing the execution of an agreement between the CCMUA and Air Liquid Industrial US LP., of Countryside, IL for supply and delivery of bulk liquid oxygen in accordance with Specification #12-03. Mr. Cornforth clarified that there is a typographical error in the last paragraph. The correct dollar amount of award is \$439,020. The resolution was corrected and submitted to Ms. Michelini. Commissioner Bresch asked if we always award a two year contract since it appears to save money or it is an option. Mr. Kricun clarified that wherever possible we bid multiple year options. 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
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"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:3-48 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner Engelbert to adopt Resolution #R-12:3-49, authorizing extension of contract with Siemens Water Technologies, Sarasota, Florida for hydrogen sulfide control services in accordance with Specification #09-03. 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
"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:3-49 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner Engelbert to adopt Resolution #R-12:3-50, authorizing the execution of Change Order No. 1 to the agreement between the Authority and Spectraserv, Inc., with Specification #11-02A. Commissioner Biondi asked for an explanation as to why our sludge was turned away. Mr. Cornforth stated that two things happened simultaneously: 1) the landfill has a new owner who refused to honor the tipping fees of prior contracts for this hauler and two others that haul for us and 2) the sludge is odorous. The other affected vendors stopped hauling. This vendor continued to honor its contract with the CCMUA while the other two vendors stopped hauling. In addition, we recently issued two emergency contracts because these vendors stopped hauling our sludge causing the sludge to build up in our storage facility. Mr. Kricun added that we didn't anticipate that the dryers would not be fully operational by this time, and therefore didn't have as many backup plans as we normally would. Mr. Rosoff commented that new contracts are out to bid so this change order is for a short period of time. It was asked if Gloucester County UA was able to accommodate our needs, however, Mr. Kricun noted that they were down and unable to take our sludge. We were then bumped out of Atlantic County UA because Gloucester County needed to take their sludge to Atlantic County. At this time, however, both GCUA and ACUA are back to normal operations. Mr. Cornforth added that we are caught up and the storage building is cleared out. 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
"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:3-50 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Engelbert to adopt Resolution #R-12:3-51, authorizing entering into an agreement for provision of landscaping services pursuant to shared services competitive RFP procured with the 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
"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES

"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:3-51 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner McKernan to adopt Resolution #R-12:3-52, authorizing implementation of a shared services agreement with the Camden County Improvement Authority for management services associated with non-wastewater projects. Commissioner McKernan noted that Exhibit A was not attached to the resolution to which Mr. Kricun explained that Exhibit A would only be attached when a project is awarded since Exhibit A is the Scope of Work to be completed and corresponding price for a particular task. This resolution is an overarching agreement and if the CCMUA were to utilize the services in this agreement, a resolution containing the project and scope for each individual task would be presented to the Board for approval. Commissioner McKernan also suggested a change to the agreement, specifically Item 7G. It should end at "...may not be assigned." Mr. Kricun noted that the amendment would be made. There being no further question or comment on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

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

Resolution #R-12:3-52 was adopted.

A motion was made by Commissioner McKernan and seconded by Commissioner Engelbert to adopt Resolution #R-12:3-53, authorizing application to the New Jersey Environmental Infrastructure Trust for the Delaware No. 1 WPCF PTF Electric Motor Upgrade project. 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
"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:3-53 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Engelbert to adopt Resolution #R-12:3-54, authorizing a change order to D&B/Guarino for additional engineering services needed for the design of the Cross Keys Force Main and Pump Station. 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
"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:3-54 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Engelbert to adopt Resolution #R-12:3-55, authorizing Change Order No. 4, amending the CCMUA'S contract with Consulting Engineer Services for design of a portion of the Atlantic Basin Interceptor Extension. Commissioner Biondi asked for clarification as to why it wasn't apparent that the pipeline could not be installed in the existing roadway, thereby causing a need for a change order. Mr. Kricun explained that the CCMUA's approach to bids is to bid only what is known to be needed, adding that contingencies could be factored into the bids, however, the prices of the bid will reflect that

and potentially cost more money. In this case, the design called for the pipeline to be installed in the existing roadway to lessen the environmental and personal property impact and permitting requirements. There is approximately 25 miles of pipeline to be installed and in only two instances there was no roadway to go through. This then requires easements which were not anticipated. The easements do go through personal property; however, we are working with the design engineer, CES, to obtain the necessary easements. The effect to the homeowner should be minimal and we will compensate the homeowner accordingly. Approximately, 98% of the project is done in the existing roadways and easements. 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
"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:3-55 was adopted.

Mr. Kricun noted that the next seven resolutions are segments of the construction of the Atlantic Basin Interceptor Project.

A motion was made by Commissioner MacFarlane and seconded by Commissioner McKernan to adopt Resolution #R-12:3-56, authorizing award of Contract 324, the Waterford Force Main, to Metra Industries. Commissioner MacFarlane asked if we anticipated any problems by awarding seven different contracts to seven different contractors. Mr. Kricun replied that this is a customary practice, few contractors had bonding capacity to do multiple contracts and therefore, this was an anticipated result; he did not foresee any difficulties. There being no additional question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

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

Resolution #R-12:3-56 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner McKernan to adopt Resolution #R-12:3-57, authorizing award of Contract 325, the Sicklerville Force Main, to Pioneer Pipe. 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
"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:3-57 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner Engelbert to adopt Resolution #R-12:3-58, authorizing award of Contract 326, the Cross Keys Force Main, to P & A Construction. 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
"	Bresch	-	YES

"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:3-58 was adopted.

Mr. Kricun asked that the Board defer voting on this resolution until after the closed session since it is a topic of closed session to which they agreed.

After closed session, a motion was made by Commissioner Engelbert and seconded by Commissioner McKernan to adopt Resolution #R-12:3-59, authorizing award of Contract 360, Upgrades to Chesilhurst, Waterford and Cedarbrook Pump Stations, to Centerpoint Associates. 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
"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:3-59 was adopted.

A motion was made by Commissioner Engelbert and seconded by Commissioner MacFarlane to adopt Resolution #R-12:3-60, authorizing award of Contract 364, the Sicklerville Pump Station, to Clyde Lattimer & Sons. 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
"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:3-60 was adopted.

A motion was made by Commissioner McKernan and seconded by Commissioner Engelbert to adopt Resolution #R-12:3-61, authorizing award of Contract 365, the Cross Keys Pump Station, to PKF-Mark III. 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
"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:3-61 was adopted.

A motion was made by Commissioner Engelbert and seconded by Commissioner MacFarlane to adopt Resolution #R-12:3-62, authorizing award of Contract 409A, the Clementon Force Main Upgrade, to Underground Utilities. Mr. Kricun noted that a revised copy of the resolution was handed out to the Board members. The contractor made a mathematical error which has been corrected and Underground Utilities remains the low bidder. The new low

bid amount is \$2,006,222. 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
"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:3-62 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner Burley to adopt Resolution #R-12:3-63, 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
"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	ABSTAIN
"	MacFarlane	-	YES
"	McKernan	-	ABSTAIN
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:3-63 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner Engelbert to adopt Resolution #R-12:3-64, authorizing payment of \$2,439,448.99 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
"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	ABSTAIN
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:3-64 was adopted.

A motion was made by Commissioner McKernan and seconded by Commissioner Engelbert to adopt Resolution #R-12:3-65, authorizing that the Authority hold a Closed Session Meeting to discuss legal matters. 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
"	Bresch	-	YES
"	Burley	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:3-65 was adopted.

The meeting adjourned to Closed Session at 6:35pm.

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The meeting returned from Closed Session at 7:10pm.

The Commissioners returned their attention to Resolution #R-12:3-59, voting as noted above.


Mr. Rosoff addressed the Board by informing them that Commissioner MacFarlane had been reappointed. An Oath of Office was given to him by the Solicitor, Laurence E. Rosoff:

PUBLIC PARTICIPATION: NONE

There being no further business, Chairwoman Dixon adjourned the meeting at 7:13pm

Minutes of this meeting were
approved on 4/23/12

Respectfully Submitted,



Kim Michelini
Authority Secretary