


CERTIFICATION OF MINUTES

I hereby certify the attached to be a true and correct copy of the unapproved Minutes of the August 20, 2012 Regular Meeting of the Camden County Municipal Utilities Authority. It is anticipated that these minutes will be adopted by the CCMUA's Board of Commissioners at the September 17, 2012 Regular Meeting.



Kim Michelini
Authority Secretary

THE CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

MINUTES OF THE REGULAR MEETING HELD ON AUGUST 20, 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	-	ABSENT
"	MacFarlane	-	YES
"	McKernan	-	ABSENT
"	Swartz	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

STAFF PRESENT:

Andrew Kricun, Executive Director
Laurence E. Rosoff, Solicitor
Wayne Planamento, Chief Financial Officer

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

CONSULTANTS:

Alan Parry, Synagro

OTHERS PRESENT:

Richard Headley, Pennsauken Twp. Resident

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 July 16, 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
"	MacFarlane	-	ABSTAIN
"	Swartz	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

The motion was carried.

EXECUTIVE DIRECTOR'S REPORT:

Mr. Kricun introduced and welcomed Wayne Planamento, who replaced Jack Werner as the CFO, to the Board.

I) ITEMS FOR DISCUSSION:

A) Administration:

- 1) Environmental Management System – August 2012 Report
Commissioner Wu noted that it appears that the sludge dryers are meeting their goal of reducing odor potential. There have been few odor complaints. He asked Mr. Kricun for an update on the timing of the performance test. Mr. Kricun explained that the addition of the dryers have not only reduced the amount of sludge that is produced but has also prevented sludge from hitting the open air, thereby, greatly reducing the number of odor events. Komline Sanderson anticipates that the performance test will take place shortly after Labor Day. They are currently working to fix the delumper which is necessary to the successful operation of the dryers. Komline indicated that they

are on target for a completion date of the first week of September. If Komline passes the performance test, we will release them from the process performance obligations, however, that does not mean that we will accept the dryers. Komline is still required to make additional repairs. The outstanding punch list items will be addressed separately from the process performance. The hope is that by the end of September the project will be completely finished.

- 2) Annual Environmental Management System Audit
Commissioner Wu asked Mr. Kricun if we have conducted the internal audit required for the annual EMS audit. Mr. Kricun responded that we are in the process of conducting that internal audit. The internal audit is being undertaken by a three party team, two employees of the CCMUA and our engineering consultant. The audit will be completed prior to the external auditor's site visit on September 5th. Commissioner Wu indicated that we didn't want a repeat of last year in this regard. Mr. Kricun noted for the record that last year was the first time the CCMUA was going through the audit process after receiving the certification. It was not realized that both an internal and external audit would need to be completed. In addition, he added that it is likely that focus will be on the transition from our sludge hauling operations to the sludge drying operations and whether we have sufficiently updated our Standard Operating Procedures (SOP's) to reflect this change from hauling to drying.
- 3) Shared Services Agreement with Camden County Improvement Authority (Task 1- Management of the Administration Building Façade Repair)
Chairwoman Dixon asked what the total cost of the project is and who would typically manage the project if we did not have the Shared Services agreement with CCIA? Mr. Kricun responded that the project cost is approximately \$250,000 and that our staff, Bob Cornforth and Robert Hickman, is responsible for overseeing the project. In addition, the CCMUA retained the design firm to oversee the project to ensure that the proper permits and inspections are completed.
- 4) Camden County Green Fair
- 5) Camden Green Infrastructure Program- Award from International Economic Development Council
- 6) Camden County Work Investment Board Student Internship Program
Commissioner Wu asked if there was a way to extend the summer youth internship program offered this year through the Workforce Investment Board to college students who are interested in science and engineering. Commissioner Swartz responded that this is a decision for the committee and funders of the program as they set the guidelines for the program. The WIB can take it under advisement for consideration for next year's program.

Commissioner Burley asked Commissioner Swartz which high school our summer interns attended. Mr. Kricun responded that one intern attends Lindenwold High School and the other intern attends the Charles Brimm Medical Arts High School in Camden. Commissioner Swartz explained that the summer internship program was a County-wide initiative and the goal was to employ 50 students. The program's guideline for internship is STEM in that the students must have a career interest in Science, Technology, Engineering and Math. All high schools in Camden County were given the information. In addition, the program received 70 applications and after the interview process, approximately 32 students received internships. However, due to some external factors, a few of these interns were unable to complete the internship. We are in the process of evaluating this year's program to determine what changes are needed for next year's program. Commissioner Swartz noted that it appeared that some high schools were more aggressive in disseminating the information to its students than others. Commissioner Burley commented that she would, if possible, like to work in distributing the information to the Camden High Schools next year as it seemed that there was not much information available to the students this year.

Mr. Kricun added that the CCMUA has employed many interns over the years through such programs as RESPOND, Hopeworks and now WIB. I recently attended the closing ceremony for the program and it was a pleasure to see the families and hear the stories of the positive difference the internship made to the student. I would support the hiring of additional interns next year.

Other:

Commissioner Wu asked for an update on the PCB trackdown study. Mr. Kricun explained that the study found that there are four main contributors within a ½ to ¾ mile radius from our treatment plant. One of the sites is a superfund site operated by the EPA and they have agreed to add stormwater controls to prevent stormwater from entering our plant. The second entity is a private entity. They have also committed to add stormwater controls on their site. They have also agreed to improve their handling system to reduce the release of PCB's into the atmosphere. The third entity is also a private agency that I have not yet contacted. The fourth site is the Camden City collection system itself. The CCMUA will look for very opportune ways to remove the sediment from Camden's collection system. For instance, if we saw that a small stretch of pipeline between two manholes had high concentrations of PCB's we would look into cleaning out that line in a cost effective manner. Obviously, we will need to evaluate the structure of the pipe itself and the cost of removal of the sediment (it is within the disposal limits for contaminants) before any action is taken. It is in the best interest of the CCMUA to clearly demonstrate to the EPA, NJDEP and DRBC that we are doing all we can to ensure that stormwater controls are in place and that we are taking steps to remove PCB's from Camden's collection system in a cost effective manner. If we are not demonstrating to these agencies that we are putting forth our best effort, they may institute permit limits on us which could result in the entire County being put on sewer ban.

I have reached out to our pipeline consultant and PCB consultant to see if they can work together toward finding a safe and cost effective way to accommodate the removal of PCB's from Camden's collection system.

Commissioner Wu asked for more information regarding the disposal of the contaminated sediment that is removed from the collection system. Mr. Kricun explained that permits and monitoring of limits would likely be needed. A study of concentrations is underway to determine whether removal and disposal will be considered conventional or hazardous. A study of the pipe's structure is also needed to ensure that the pipe can withstand the removal process. We don't want to damage the pipe in the removal process and have the added expense of repairing and/or replacing pipeline.

Commissioner Biondi added that he felt that the CCMUA was obligated to remove the PCB's where possible given the fact that it is hazardous to the environment. Mr. Kricun stated that, in addition, PCB's are a carcinogen.

B) Engineering:

C) Legal:

D) Operations & Maintenance:

E) Finance:

- 1) Voucher Payment Resolutions - Report on Emergency Payments

II) INFORMATIONAL ITEMS:

A) Administration

- 1) CCMUA Organizational Chart – as of August 10, 2012

B) Finance

- 1) Collections Report for July 2012
- 2) Budget Review Report for July 2012

Commissioner MacFarlane commented that the actual expenses for sludge and waste are well below the budgeted amount and was wondering if this was due to the sludge dryer operation or is volume down due to seasonal reasons. Mr. Planamento commented that he believed that the dryers were the main reason. Mr. Kricun stated that he too believed that the numbers were entirely due to the dryers. When we completed the budget last fall, we anticipated that the sludge dryer would be fully operational and therefore, we would be paying Synagro close to \$200,000/month (\$125,000 for operations and \$75,000 for disposal of dried byproduct). This is significantly lower than our sludge hauling costs which were about \$500,000/month. However, Komline has been paying Synagro the \$200,000/month since January in light of the fact that the dryer has not been fully operational as promised. Mr. Kricun clarified that this is somewhat an artificial number since Komline is currently paying these costs that would otherwise be ours, and will be ours in the future when we accept the dryers. Komline's payment to Synagro offset some of the financial obligation they accrued when we did not get the benefit of the dryers when we should have. We will discuss this matter further in closed session.

- 3) Cash Management Report – June 2012

C) Operations & Maintenance:

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

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-12:8-109, authorizing the execution of an agreement between the CCMUA and Eastern Lift Truck Company, Inc., of Maple Shade, New Jersey for supply and delivery of two (2) Taylor Dunn electric utility vehicles and two (2) additional vehicles if requested within one year of initial contract award in accordance with Specification #12-05. Commissioner Biondi asked if a picture was available for of the utility vehicle. Mr. Cornforth stated that the picture in the bid package is a close representation of the vehicles we will purchase. The difference is that our vehicles are an industrial version with a cab and are bright orange in color. 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
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:8-109 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner Swartz to adopt Resolution #R-12:8-110, authorizing the execution of an agreement between the CCMUA and Gayle Corporation, Malvern, PA for supply of parts for Stranco Polyblend and Gen II Units in accordance the Specification #12-12. 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
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:8-110 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner MacFarlane to adopt Resolution #R-12:8-111, authorizing the execution of an agreement between the CCMUA and Process Technologies, Inc., of West Reading, PA for supply of mechanical seals for Moyno Progressive Cavity Sludge Pumps in accordance with Specification #12-15. 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
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:8-111 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Swartz to adopt Resolution #R-12:8-112, authorizing participation for Domestic Partnership Coverage under the State Health Benefits Program and/or School Employee's Health Benefits Program of the State of New Jersey in accordance with Chapter 246, P.L. 2003, the Domestic Partnership Act. 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
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:8-112 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Biondi to adopt Resolution #R-12:8-113, authorizing the execution of an agreement between the CCMUA and WPCS International-Trenton, Inc., of Trenton, New Jersey for electrical repairs and services in accordance with Specification #12-21. Commissioner Bresch asked who the second and third low bidders were. Mr. Cornforth replied that Ray Angillini was the second low bidder and he did not recall who the third low bidder was. The first and second bids were \$500 apart from one another. Mr. Kricun noted that there was a bid protest on the matter which was evaluated by our Solicitor and found to be baseless. The second low bidder raised two issues: 1) the person signing as the responsible party was thought to not be the responsible party, however, this was incorrect and 2) WPCS responded "none" to the question regarding prevailing wages. This too was found to be inaccurate as WPCS pays prevailing wages as they are a union firm. A letter was sent to the attorneys representing each firm, advising them of this determination and giving them the opportunity to appear before the CCMUA Board at tonight's meeting. The CCMUA has not heard back from either party. Commissioner Bresch noted his concern

as to how the issue of wage classification is reviewed by the vendors could be an issue as there is a difference in rates between an electrician and a carpenter. However, he added, the rates shown by WPCS is that of an electrician. 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
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:8-113 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner Swartz to adopt Resolution #R-12:8-114, authorizing execution of an agreement with the United States Geological Survey for the renewal of stream monitoring services for the Great Egg Harbor River Basin. 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
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:8-114 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Swartz to adopt Resolution #R-12:8-115, approving educational refund application as per Administrative Order #400. 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
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:8-115 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner MacFarlane to adopt Resolution #R-12:8-116, authorizing a time extension to the CCMUA's Sludge Disposal Agreement with Gloucester County Utilities Authority. Commissioner MacFarlane asked if GCUA contacted us or if they automatically send this resolution for our action and if it were in any way advantageous for the CCMUA to negotiate a contract with GCUA now rather than later. Mr. Kricun replied that they did contact us. He added that once we accept the dryers from Koline, the CCMUA will enter into the operation contract with Synagro and the CCMUA will have no need for a disposal contract as the responsibility for hauling of sludge and/or the dried byproduct will be Synagro's. This time extension is for the period up until we enter into the operation contract with Synagro, when sludge disposal is still our responsibility. Mr. Cornforth added that GCUA has a published schedule of rates that they adopt every year. The CCMUA pays that published rate. Mr. Kricun advised the Board that he is negotiating with both GCUA and ACUA regarding their taking the dried byproduct at a lower price than we will be paying to Synagro. They may be able to use it as a fuel source. Commissioner Swartz commented that there may be other available markets for the byproduct. Mr. Kricun agreed, adding that this was the reason we negotiated the ability to find other sources for disposal into the operations contract with Synagro. This would allow us the possibility for finding a cheaper market for the disposal of the sludge/dried byproduct. Mr. Kricun explained that he has had talks with the Trash to Steam plant in Camden since they too may be able to use the dried byproduct as a fuel source. However, they are unwilling at this time to ask the NJDEP to modify their permit. 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
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:8-116 was adopted.

Mr. Kricun reported to the Board that he spoke with both Commissioner McKernan; head of the CCMUA's Legal Committee and Chairwoman Dixon and that Commissioner McKernan asked that the resolution be tabled to allow for further review by the Legal Committee. A motion was made by Commissioner Biondi and seconded by Commissioner MacFarlane to table Resolution #R-12:8-117, authorizing a Shared Services Agreement by and between the County of Camden and the CCMUA for provision of Human Resource Management Services. 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
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:8-117 was tabled.

A motion was made by Commissioner Biondi and seconded by Commissioner MacFarlane to adopt Resolution #R-12:8-118, ratifying approval of expense vouchers as approved by the Executive Director under authorization granted by the 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
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:8-118 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Biondi to adopt Resolution #R-12:7-119, authorizing payment of \$7,096,019.41 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
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-12:8-119 was adopted.

PUBLIC PARTICIPATION:

Mr. Kricun noted that the next resolution, #120, is to hold a closed session, however, since there is public present at this meeting we will allow the Public's Participation prior to going into closed session.

My name is Richard Headley and I am a resident of Pennsauken Township. I have a few questions concerning the CCMUA's budget that is on your website. I noticed that there was a \$3 million payment to Camden County. Why was this payment made to County and could it have been used to pay down the CCMUA's debt or operating costs? Mr. Kricun replied that the State of New Jersey passed a law two years ago which allows for a certain percentage of an MUA's surplus budget to go back to the parent County or municipal agency. The calculation was made and the corresponding percentage computed to approximately \$3 million. The County requested that this \$3 million surplus be paid to them and we granted their request.

Mr. Headley asked where exactly the money goes in the County to which Mr. Kricun replied it goes to the County Administration to be added to their budget. The CCMUA's budget will show a debit of \$3 million and the County's budget will show a corresponding credit of \$3 million. Mr. Headley asked again why the \$3 million couldn't be applied to the debt. Mr. Kricun responded that an early pay down of debt is not permitted, however, the money could have been used to reduce our rate one time by \$12 per year. Mr. Headley asked if this \$3 million was generated every year. Mr. Kricun responded that it could be, but the amount will vary from year to year based on our budget surplus.

I read in the minutes that you are installing a solar power system. Why are you using solar power? Mr. Kricun responded that the solar power system is installed and was done so for two reasons: 1) to reduce our energy costs and 2) it is the right thing to do environmentally. The CCMUA currently pays PSEG 12 cents/kWh (kilowatt hour). We went out for a request for proposal to design, build, install, own, operate and maintain a solar power system at no cost to the CCMUA and

to charge us back the solar power energy they generate. The low bid was 4.8 cents/kWh. We are saving approximately 7 cents/kWh or about \$300,000/year. However, this solar power array only covers about 10 percent of our total energy usage.

Mr. Headley asked if we are generating methane gas. Mr. Kricun replied that the CCMUA does not generate methane gas. However, the CCMUA is in the process of seeking requests for proposals to build a digester to generate methane gas and convert it into electricity. The digester RFP is due out in September with a return date in early November. It is hoped that the digester could provide all of our energy needs. Mr. Kricun noted that the CCMUA's plant was not designed to generate methane gas. Mr. Headley commented that there are sewage treatment plants that use methane gas for their energy needs. Mr. Kricun agreed, noting that Oakland, CA uses methane gas and Atlantic County Utilities Authority also uses 100% green energy. The CCMUA is committed to using 100% green energy by 2017.

Thank you.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Swartz adopt Resolution #R-12:8-120, 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
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES


Resolution #R-12:8-120 was adopted.

The meeting adjourned to closed session at 6:50pm.
The meeting returned to open session at 7:30pm.

There being no further business, Chairwoman Dixon adjourned the meeting at 7:30pm

Minutes of this meeting were approved on Sept 17, 2012

Respectfully Submitted,



Kim Micheline
Authority Secretary