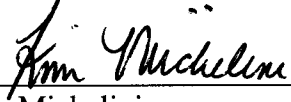


CERTIFICATION

I hereby certify the attached to a true and correct copy of the unapproved Minutes of the June 17, 2013 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 July 15, 2013 Regular Meeting.



Kim Michelini
Authority Secretary

THE CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

MINUTES OF THE REGULAR MEETING HELD ON JUNE 17, 2013

The Regular Meeting of The Camden County Municipal Utilities Authority was called to order by Chairman Brennan 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	Bresch	-	YES
"	Burley	-	YES
"	Dixon	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
"	Young	-	ABSENT
Chairman	Brennan	-	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:

Jose Calderon, T&M Associates
Robert Serpente, D&B/Guarino

OTHERS PRESENT:

None

Chairman Brennan 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 13, 2013 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 MacFarlane and seconded by Commissioner Engelbert to adopt the Minutes of the Regular Meeting held on May 20, 2013. There being no question on the motion, a roll call was taken. On roll call, the Commissioners responded to their names as follows:

Commissioner	Bresch	-	YES
"	Burley	-	ABSTAIN
"	Dixon	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	Swartz	-	ABSTAIN
"	Wu	-	ABSTAIN
Chairman	Brennan	-	YES

The motion was carried.

EXECUTIVE DIRECTOR'S REPORT:

I) ITEMS FOR DISCUSSION:

A) Administration:

- 1) Environmental Management System – June 2013 Report

Commissioner Wu asked if the recent odor study resulted in any findings especially since the plant has been upgraded to combat the problem and yet there are more complaints. Mr. Kricun responded that CDM was out on site and has reported verbally that there were odors around the sludge area. Commissioner MacFarlane asked if CDM was familiar with the plant to which Mr. Kricun responded that they were as they designed the odor control system. Commissioner Brennan asked why we didn't bring in an independent contractor to make such an evaluation as the designer of the odor control system would likely protect their own work and say that it was coming from outside sources. Mr. Kricun replied that CDM did report that they found odors coming from our sludge area in addition to odors from outside sources. In addition, he added that they will be submitting a written report shortly. There was discussion regarding the methods for odor sampling which includes, visual inspection of the equipment, plant operations, etc; measuring of chemicals or odor causing compounds, capturing odors for sampling, etc. The CCMUA's consulting engineer, D&B/Guarino also observed a few issues that may have resulted in odor causing events. For instance, they observed a "blanket" along the sedimentation tanks. This was discussed with Bob Cornforth and it was discovered that a scum removal pump broke causing a build up of scum which is potential source for odors. It was also determined that the liquid sludge storage tanks were full whereas normally they are at about 1/3 capacity. This was discussed with Bob Cornforth and the reason for the full tanks was due to a water main break that occurred a few weeks ago. This coupled with another recently discovered leak caused the liquid sludge storage tanks to fill; this is also cause for potential odors since there is more sludge stored on site. It should be noted that the water line breaks were handled in such a way that the effluent quality did not suffer; however, in hindsight, it would have been better to try to remove more sludge from the plant more rapidly even though the sludge cake would have suffered. Presently, the sludge numbers are close to normal and should be back to normal within two or three days. While the CCMUA was not the only source of odors, we were a contributing factor in the problem.

Chairman Brennan commented that he would like a final determination as to who is contributing to the odors and what the plan of action is to eliminate odors. He suggested that if it is found that our staff is not properly operating and maintaining the system, proactively investigating for potential odor sources or doing all it can to control odors, then additional training and/or reprimand may be warranted. The CCMUA should be doing all it can to control odors for the residents and employees alike. Chairman Brennan stated that steps are underway to address the odor issues with Mafco but wanted to know what the CCMUA is doing to prevent odors. Mr. Kricun replied that he believed that odor complaints would not have occurred had it not been for the broken equipment. When the staff follows protocols, as they have been doing, there are very few odor complaints as seen by the few complaints received during the 18 months or so. These unexpected equipment failures could have, in hind sight, been handled differently. A meeting was held with the O&M staff where it was determined that should this same type of situation occur in the future, we will work to remove the sludge more quickly since odor control is a top priority.

Chairman Brennan asked Mr. Cornforth if he believed tonight's odors to be attributable to the CCMUA. Mr. Cornforth replied that he inspected the area between Mafco's licorice pile and the CCMUA property and given the wind direction the odors were a result of Mafco's licorice pile. Chairman Brennan stated that the residents and employees should not have to be subjected to such odors and that odor control should be our primary goal. Mr. Kricun added that it is unjust for the 1800 residents in this neighborhood and that he had sent an apology to the Heart of Camden representatives, Helene Pierson and Father Michael Doyle along with a request that they pass this along to the community. In addition, it was explained to them that the CCMUA was contributing to the odors and that steps were being taken not only to correct the problem but to avoid the recurrence of the odors by putting a better protocol in place to remove sludge from the plant more rapidly should a similar problem occur. Mr. Kricun noted that he believed that the CCMUA lost ground with the community because of the numerous odor complaints received.

Commissioner Wu noted his appreciation for Mr. Kricun's detailed explanation of the causes of the odor issues. In addition, he noted that the dryers appear to have turned the corner 180 degrees in that they are running consistently and near design capacity and asked for an explanation as to the reason why. Mr. Kricun explained that the two biggest improvements made to the dryers occurred at approximately the same time. First, the CCMUA, Komline and Synagro have been meeting on a regular basis and it was recently determined that part of the problem was related to the strain presses. The piping to the strain presses was installed in such a way that about 1/3 of the sludge was bypassing the strain presses and not being strained. The O&M staff reconfigured the pipe so that all of the sludge filtered through the strain presses. The second improvement made was reported on last month and is a credit to Jack Connolly of our O&M staff. He believed that there had to be a greater difference in temperatures between the front and back of the

dryers. Komline and Synagro agreed to try this and it worked. Commissioner Wu asked how much sludge the two dryers were taking to which Mr. Kricun indicated that each dryer is averaging 75 to 80 tons per day. The two dryers are taking nearly all of the sludge produced (all but approximately 10 tons/day).

Lastly, as discussed previously the issue of seasonality of the sludge will need to be addressed. It cannot be determined at this time whether there is a seasonality of our sludge until the dryers operate through the winter. However, in comparing the summer of 2012 to the summer of 2013, the performance this year is much better. There are two potential problems- 1) there could be a seasonal issue with the sludge which cannot be determined until the winter; and 2) as mentioned last month, there is the issue of the damaged shaft in the third dryer. Komline is currently in the process of replacing the damaged shaft, however, it cannot be determined until the shaft is fully removed and tested by an expert as to whether or not the problem with this shaft is an anomaly or whether the problem exists with the other 5 shafts. D&B/Guarino has a metallurgy expert available to review Komline's expert report. Once it has been determined whether it is an anomaly with the one shaft or a problem with all 6 shafts, we will react accordingly. The CCMUA will also insist on an extended warranty for the shafts. Chairman Brennan asked if we had access to the damaged pipe for our own expert to examine to which Mr. Cornforth replied that there is plenty of damaged pipe available (40 foot section of a 30 inch diameter shaft) for both parties to use in testing. Commissioner Bresch asked if the third dryer is a standby which Mr. Kricun confirmed that it is.

2) PCB Trackback Update

3) DRBC Revised Nutrient Requirements Update

Commissioner Dixon asked if the CCMUA would require significant capital improvements if these requirements were passed. Mr. Kricun stated that if these requirements are passed, the CCMUA would need to update to tertiary treatment which would cost hundreds of millions of dollars. Chairman Brennan noted that the previous minutes reflected that billions of dollars in capital improvements would be required if these improvements were needed. Mr. Kricun stated that last month we were discussing the combination of potential upgrades to the CCMUA's systems regarding PCB upgrades, the CSO upgrades and DRBC's proposed nutrient requirements, which together could result in billions of dollars in capital improvements. This alone could easily be hundreds of millions and maybe a billion or two. If the requirements pass, which it is believed that they will, there will probably be a 5-10 year phase in cycle.

4) Newton Lake Water Quality Improvements

Mr. Kricun noted that the County has asked for the CCMUA's assistance with the Newton Lake water quality program on an emergency basis. He attended a public hearing last week with Freeholder Nash and Frank Moran where he spoke on the long term plans to assist the County in restoring the water quality of the Lake. The O&M Department has taken samples and Kupper has provided a hydro-geologist expert who is helping us with a plan for the lake. Chairman Brennan commented that this is an important project and exactly the type of assistance that the CCMUA should offer. Mr. Kricun added that the long term problem is determining how best to deal with the stormwater runoff and erosion upstream. The CCMUA will be tasked to develop a long term plan to control that.

5) NJDEP Named CCMUA Top Environmental Steward

Mr. Kricun noted for the Board that the NJDEP named eleven top environmental stewards statewide and ten of them were private sector firms. The CCMUA was the only municipal entity in the state named as a top environmental steward. It is a good credit to the Authority, the staff and the Board for its environmental and community service directives.

6) Phoenix Park Project

Mr. Kricun noted that the Phoenix Park project was named by the Delaware Estuary as one of the six most critical projects to be accomplished in the estuary. A meeting was held today among that group to discuss that project and other initiatives.

B) Engineering:

C) Legal:

D) Operations & Maintenance:

1) Runnemede Force Main Break Update (oral report)

Mr. Cornforth reported that work on the Runnemede Force main break is progressing well. Presently, excavation on either side of the 42 inch diameter force main is underway. Tapping saddles and an align stop have been installed. The contractor has begun building the bypass which should be completed this week. If there are no problems, the bypass will be activated next week which will allow for the excavation of the damaged pipe. Once excavated, the pipe will be sent to an expert for testing to determine the cause of the failure. The temporary clamp that was installed a few months ago continues to hold. It is

anticipated that sometime in July, the repair will be completed and the expert's report may be available.

E) Finance:

- 1) Voucher Payment Resolutions - Report on Emergency Payments

II) INFORMATIONAL ITEMS:

A) Administration

- 1) CCMUA Organizational Chart – as of June 1, 2013
Chairman Brennan asked why we produced and distributed a copy of the organizational chart every month to the Board members when there are little or no changes to it. Mr. Kricun replied that the report was requested years ago, however, we can evaluate if it is necessary going forward.

B) Finance

Chairman Brennan noted that Wayne Planamento, Chief Financial Officer and his assistant, Scott Schreiber, Budget Officer were praised by Bowman and Company during the audit review process. He further added that the minor discussion items noted by Bowman need to be addressed and the Board will follow up in a couple of months with the staff to ensure that these items are being addressed. He thanked Mr. Planamento for the good work done on the audit.

- 1) Collections Report for May 2013
2) Budget Review Report for May 2013
Commissioner MacFarlane noted that sludge and waste are up because costs were up and asked Mr. Cornforth where the CCMUA stood regarding Gloucester County and sludge amounts in storage. Mr. Cornforth replied that the CCMUA has an automatic delivery of sludge set up to Gloucester County. He noted that the sludge storage building is empty. Commissioner MacFarlane asked if deliveries were made to Cape May County MUA to which Mr. Cornforth replied it has been two or three years since our last delivery to them. Commissioner MacFarlane asked if the \$173,000 over budget amount reported last month is an anomaly. Mr. Kricun replied that overage was due to a backlog of sludge and that through the first five months of the year the CCMUA is only over budget by \$32,000 out of \$37,000,000. Commissioner MacFarlane acknowledged this adding, however, that the CCMUA has not been realizing the savings that it was supposed to realize through full operation of the dryers.
3) Cash Management Report for April 2013

C) Operations & Maintenance:

- 1) Del. No. 1 WPCF & Winslow STP- Operations Report (Apr 2013)

PUBLIC PARTICIPATION ON PROPOSED RESOLUTIONS:

None

OLD BUSINESS:

None

NEW BUSINESS:

A motion was made by Commissioner Engelbert and seconded by Commissioner MacFarlane to adopt Resolution #R-13:6-79, accepting Annual Audit for the year ending December 31, 2013 as prepared by Bowman and Company. 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	Bresch	-	YES
"	Burley	-	YES
"	Dixon	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairman	Brennan	-	YES

Resolution #R-13:6-79 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Engelbert to adopt Resolution #R-13:6-80, authorizing the execution of agreement for hauling and beneficial reuse of dewatered sludge cake with Mount Materials LLC/Bull Waste & Recycling, LLC of Berlin, New Jersey and United Trucking, Inc., of Marlton, New Jersey in accordance with Specification #13-06. 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	Bresch	-	YES
"	Burley	-	YES
"	Dixon	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairman	Brennan	-	YES

Resolution #R-13:6-80 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Engelbert to adopt Resolution #R-13:6-81, 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 #13-07. Commissioner Swartz asked if it was possible for the CCMUA to negotiate with the other vendors who replied to this bid and the bid for hauling and beneficial reuse (#R-13:6-80 above) to expand the list of vendors. Mr. Rosoff responded that this was a sealed public bid so it is not possible to negotiate with the other vendors. 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	Bresch	-	YES
"	Burley	-	YES
"	Dixon	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairman	Brennan	-	YES

Resolution #R-13:6-81 was adopted.

A motion was made by Commissioner Swartz and seconded by Commissioner Engelbert to adopt Resolution #R-13:6-82, authorizing an extension of existing lease of former CCMUA interceptor site, on a month -to-month basis. Chairman Brennan noted for the Board that the CCMUA is considering other options (selling v. leasing) regarding this property. Commissioner MacFarlane noted that the monthly rent amount of \$1500 is awfully low, which Mr. Rosoff corrected to be \$1200/month. Mr. Kricun added that the 5 year lease at \$1200/month is the reason why the CCMUA is considering its options regarding this property. Mr. Rosoff added that 5 years ago, the property was being vandalized. The CCMUA RFP'd the lease of this property and Mount was the only respondee. Mr. Kricun advised the Board that he has spoken with Laura Paffenroth, Assistant County Counsel, who will assist us with the sale of the property as she was successful in the recent auction of the hospital at Lakeland. 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	Bresch	-	YES
"	Burley	-	YES
"	Dixon	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairman	Brennan	-	YES

Resolution #R-13:6-82 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Swartz to adopt Resolution

#R-13:6-83, authorizing Change Order No. 3 to P & A Construction for construction of the Cross Keys Force Main. 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	Bresch	-	YES
"	Burley	-	YES
"	Dixon	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairman	Brennan	-	YES

Resolution #R-13:6-83 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Engelbert to adopt Resolution #R-13:6-84, accepting a credit from Metra Industries for construction of a portion of the Atlantic Basin Interceptor. 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	Bresch	-	YES
"	Burley	-	YES
"	Dixon	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairman	Brennan	-	YES

Resolution #R-13:6- 84 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Engelbert to adopt Resolution #R-13:6-85, approving Change Order No. 3, amending the CCMUA's contract with D&B/Guarino Engineers for the engineering services during construction of the sludge drying facility. 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	Bresch	-	YES
"	Burley	-	YES
"	Dixon	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairman	Brennan	-	YES

Resolution #R-13:6-85 was adopted.

Chairman Brennan noted that he needed to research the matter further and asked that, unless a member disagrees, the Board table this Resolution for one month. A motion was made by Commissioner Swartz and seconded by Commissioner Bresch to table Resolution #R-13:6-86, authorizing execution of an agreement extinguishing a portion of CCMUA Easement with the Borough of Haddon Heights. 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	Bresch	-	YES
"	Burley	-	YES
"	Dixon	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairman	Brennan	-	YES

Resolution #R-13:6-86 was tabled.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Engelbert to adopt Resolution #R-13:6-87, approving Change Order No. 3, amending Contract 324 with Metra Industries for the Waterford Force Main Extension. 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	Bresch	-	YES
"	Burley	-	YES
"	Dixon	-	YES
"	Engelbert	-	YES
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairman	Brennan	-	YES

Resolution #R-13:6-87 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Swartz to adopt Resolution #R-13:6-88, 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	Bresch	-	YES
"	Burley	-	YES
"	Dixon	-	YES
"	Engelbert	-	ABSTAIN
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairman	Brennan	-	YES

Resolution #R-13:6-88 was adopted.

A motion was made by Commissioner Swartz and seconded by Commissioner Bresch to adopt Resolution #R-13:6-89, authorizing payment of \$5,206,068.55 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	Bresch	-	YES
"	Burley	-	YES
"	Dixon	-	YES
"	Engelbert	-	ABSTAIN
"	MacFarlane	-	ABSTAIN
"	Swartz	-	YES
"	Wu	-	YES
Chairman	Brennan	-	YES

Resolution #R-13:6-89 was adopted.

A motion was made by Commissioner Swartz and seconded by Commissioner MacFarlane to adopt Resolution #R-13:6-90, 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. All Commissioners responded "Aye" in favor.

Resolution #R-13:6-90 was adopted.

The meeting adjourned to Closed Session at 6:38pm.
The meeting returned to Open Session at 6:52pm.

PUBLIC PARTICIPATION:
None

There being no further business, Chairman Brennan entertained for a motion of adjournment. A motion was made by Commissioner Swartz and seconded by Commissioner Burley. All Commissioner responded "Aye" in favor. The meeting adjourned at 6:52pm.

Minutes of this meeting were approved on July 15, 2013

Respectfully Submitted,



Kim Michelini
Authority Secretary