

THE CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

MINUTES OF THE REGULAR MEETING HELD ON AUGUST 15, 2011

The Regular Meeting of The Camden County Municipal Utilities Authority was called to order by Chairwoman Dixon at 6:05 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	-	YES
"	Swartz	-	ABSENT
"	Wu	-	YES
Chairwoman	Dixon	-	YES

STAFF PRESENT:

Andrew Kricun, P.E., Chief Eng./Deputy Dir.
Laurence E. Rosoff, Solicitor
John Werner, Chief Financial Officer

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

CONSULTANTS:

Jeremiah Bergstrom, Rutgers
Alan Parry, Synagro

OTHERS PRESENT:

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.

OATH OF OFFICE:

The Oath of Office was given to Commissioner James Bresch by the Solicitor in accordance with the Board of Freeholders' resolution appointing him to a five year term.

ADOPTION OF MINUTES:

A motion was made by Commissioner McKernan and seconded by Commissioner Biondi to adopt the Minutes of the Regular Meeting held on July 18, 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
"	Bresch	-	ABSTAIN
"	Burley	-	ABSTAIN
"	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 – August 2011 Report
Commissioner Wu asked for an update on the status of the sludge dryers. Mr. Kricun commented that at this time one of the three dryers is operating on a continuous basis which takes about half our sludge. It is anticipated that a second dryer will be fully operational later this week, which Alan Parry of Synagro, confirmed. Mr. Kricun added that just about all of our sludge (146 wet tons) will pass through the dryers once the second dryer is operating in conjunction with the first dryer. The dryers will be in operation 24 hrs/day, 7 days per week starting today. There is a back log of sludge which will pass through the dryers by the end of the week. It was noted that once the dryers are fully operational, two of the three dryers, on a rotational basis, will operate simultaneously. The performance test is the next step in the process and is anticipated to occur during early to mid-September. The performance test consists of four tests- one for each dryer to demonstrate that it can meet the 73 ton capacity and then to run all three dryers simultaneously to ensure that collectively, the dryers can take all 219 wet tons. Mr. Kricun added that there are other elements to the performance test such as the dried product must meet a certain standard and the operation of the dryers must not exceed a set energy consumption threshold. Once the performance test is passed, a contract with Synagro will be entered into for the operation of the dryers.

Commissioner Wu asked what happens if the performance test is not passed. Mr. Kricun stated that Komline is given an opportunity to take corrective action. If Komline cannot correct, the CCMUA can call the bond for the entire value of the dryers- \$14,000,000, which we would use to replace the dryers. This, however, does not seem to be the case at this point. It appears that the dryers, individually, are exceeding the parameters set so far. The remaining test is to see how well they run in tandem.

Commissioner Wu questioned what the percent of solids is that is entering the dryers. Mr. Kricun stated that O&M has been obtaining 27 or 28% which is higher than it had been previously obtaining and is the amount the presses are designed for. In addition, the dryness of the dried byproduct has reached 95 to 99%.

Commissioner Wu asked if we were prepared for the annual EMS audit to which Mr. Kricun responded we are. Mr. Kricun has been in contact with the auditor and has a general idea of the areas to be audited. There is one area of concern, however, which is that the timing of the audit is coinciding with the performance test of the dryers. This means that the manual may not be fully up to date since the dryers may still be in transition. However, once the dryers are accepted by the CCMUA, the manual will be modified to reflect the current operation. When asked about staffing levels, Mr. Kricun stated Synagro was hired to operate the dryers. Furthermore, in regard to plant operations, we were short handed but have taken steps to hire additional staff. We have hired one electrician and are seeking to hire a second and we are in the process of hiring two plant operators.

- 2) Waterfront South Rain Gardens
Commissioner Wu commented that the ceremony for the rain garden was terrific and thanked Mr. Kricun for taking the necessary steps to get the project up and running. The project is important to the community in that it helps beautify and clean the environment and thereby improve the lives of the residents. Mr. Kricun thanked the Board for supporting the CCMUA staff in this endeavor. The question was asked as to the possibility of expanding the existing park to the vacant piece of land across the street from the park. Mr. Kricun responded that the property is owned by Co-Gen, however, further discussions regarding the property will be needed.
- 3) July 22, 2011 NACWA Conference- CCMUA Speaks on the topic "First Class Utilities"
- 4) Personnel Matter
- 5) Eastern European Delegates

B) Engineering:

- 1) Award of an agreement with Rutgers for implementation of Year 2 of the Camden City Green Infrastructure program
- 2) Approving an agreement with the Borough of Somerdale for a direct connection
- 3) Authorizing the agreement with the United States Geological Survey for stream monitoring services for the Great Egg Harbor River Basin
- 4) Authorize a Change Order to WPCS for installation of the biofilter odor control System

C) **Legal:**

D) **Finance:**

1) Voucher Payment Resolutions - Report on Emergency Payments

Commissioner MacFarlane commented that the budget looks good especially since the actual is better than the budget. It was noticed that salaries are up due to overtime and an explanation was requested. Mr. Cornforth responded that the majority of the overtime is due to the shortage in operations manpower and the two new hires that are due to start in the next few weeks will help alleviate this. In addition, he explained, the overtime is due to the fact that we are filling two shifts to meet minimum staffing levels which are required as a result of an arbitration ruling from several years ago.

Commissioner MacFarlane noted that sludge and waste numbers seem to be moving in our favor. Mr. Werner stated that we are charging those dollars against the number for the contractor, Synagro. In addition, volume was down significantly this month. Based on what Mr. Kricun stated earlier, it appears that those numbers will continue to come down.

Commissioner MacFarlane noted that there is some net savings over budget in utilities and asked how we are doing in rebates. Mr. Werner responded that the rebates we recently received were greater than anticipated and is the main reason for the savings in this area. However, he added, these rebates will expire at the end of this year.

Mr. Kricun added that with the dryers coming on-line, natural gas expenses will increase while sludge disposal costs will be almost non-existent. Taking these changes into account along with the added expense of the operation and debt service payments, the Authority should see net savings of approximately \$500,000 per year.

E) **Operations & Maintenance:**

II) **INFORMATIONAL ITEMS:**

A) **Administration**

- 1) CCMUA Organizational Chart – as of August 5, 2011
- 2) Personnel Department Update – as of August 5, 2011

B) **Finance**

- 1) Collection Report for July 2011
- 2) Budget Review Report for July 2011
- 3) Cash Management Report – June 2011

C) **Operations & Maintenance:**

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

PUBLIC PARTICIPATION ON PROPOSED RESOLUTIONS:

NONE

OLD BUSINESS:

NONE

NEW BUSINESS:

A motion was made by Commissioner Biondi and seconded by Commissioner MacFarlane to adopt Resolution #R-11:8-102, authorizing the execution of an agreement between the CCMUA and Ed Kurth & Sons, Inc., of Sewell, New Jersey for fabrication and/or installation of structural steel and high and low pressure pipe work in accordance with Specification #11-09A. 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

"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:8-102 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Biondi to adopt Resolution #R-11:8-103, authorizing the execution of an agreement between the CCMUA and G.P. Jager & Associates, Inc. of Montvale, NJ for parts for Worthington Pumps in accordance with Specification #11-14. Commissioner McKernan commented that he spoke to Mr. Cornforth prior to the meeting and notes that this is a proprietary situation which is the reason for one bid. Mr. Cornforth added that it is his understanding that the vendor is the factory representative for this area. 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
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:8-103 was adopted.

A motion was made by Commissioner McKernan and seconded by Commissioner Biondi to adopt Resolution#R-11:8-104, authorizing rejection of bids received for Specification #11-16 - requirements pertaining to the quarterly inspection testing repair and reporting of backflow preventers at various Authority facilities and authorizing re-advertisement of bids. Commissioner Biondi asked for clarification on this resolution, specifically, if the quoted amount was \$100,000 more than previously paid. Mr. Cornforth stated that yes it is correct but also noted that this is a different vendor, one that has never worked for us. He added that the purchasing department is reaching out to the vendors to ascertain why the other vendors, including the current vendor, did not bid and to make sure that they are aware of the new bidding opportunity. Mr. Kricun commented that he will be implementing pre-bid meetings in order to address that fact that we often have three bidders or less. He added that pre-bid meetings will 1) give us a sense of who is bidding, and if necessary, a chance to reach out to vendors if it is found that there are only a few bidders, and 2) give us the opportunity to answer questions that may arise regarding the specifications. 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
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:8-104 was adopted.

A motion was made by Commissioner McKernan and seconded by Commissioner Biondi to adopt Resolution #R-11:8-105, authorizing the execution of an agreement between the CCMUA and West Jersey Air Conditioning and Heating Company of Pennsauken, New Jersey for the maintenance of heating, ventilation and air condition (HVAC) systems in accordance with Specification #11-20. 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
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:8-105 was adopted.

A motion was made by Commissioner McKernan and seconded by Commissioner MacFarlane to adopt Resolution #R-11:8-106, resolution appointing the Qualified Purchasing Agent. 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
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:8-106 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner MacFarlane to adopt Resolution #R-11:8-107, authorizing execution of Change Order No. 2 to the CCMUA's contract with WPCS for installation of a biofilter odor control system. Commissioner Biondi asked for clarification on the additional labor charge of 4 hours of work at \$1074 per hour stated on page 1 of 3 (item #3). Mr. Kricun responded that he believed the hourly charge and the stated 4 hours were a mistake and would seek clarification from the contractor. Commissioner Biondi questioned what action should be taken on this resolution since there is a question on the stated charge. Mr. Kricun stated that he believed the total charge of \$4500 is reasonable and requested that the Board approve the resolution on the condition that he provide clarification of the charge. The Board agreed and asked that they be notified by memorandum once the matter has been resolved. Mr. Cornforth added that there is a memorandum attached to the resolution explaining that the charge is a "crew rate" for the entire crew which is made up of about 9 individuals. 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
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:8-107 was adopted.

A motion was made by Commissioner McKernan and seconded by Commissioner Biondi to adopt Resolution #R-11:8-108, approving an agreement with Somerdale for a direct connection and implementation of an infiltration/inflow reduction program. 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
"	McKernan	-	YES
"	Wu	-	ABSTAIN
Chairwoman	Dixon	-	YES

Resolution #R-11:8-108 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner McKernan to adopt Resolution #R-11:8-109, authorizing execution of a memorandum of Agreement with Rutgers University for continued implementation of a Green Infrastructure Plan in Camden City. 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
"	McKernan	-	YES
"	Wu	-	YES

Chairwoman Dixon - YES

Resolution #R-11:8-109 was adopted.

A motion was made by Commissioner McKernan and seconded by Commissioner MacFarlane to adopt Resolution#R-11:8-110, 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
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:8-110 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner MacFarlane to adopt Resolution #R-11:8-111, authorizing award with various vendors for the provision of laser printer toner cartridges through the Camden County Cooperative Pricing System (Camden County Bid A-28) System Identifier #57-CCCPS. 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
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:8-111 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner MacFarlane to adopt Resolution #R-11:8-112, authorizing award with various vendors for the provision of copy, computer paper and envelopes through the Camden County Cooperative Pricing System (Camden County Bid A-29) System Identifier #57-CCCPS. 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
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:8-112 was adopted.

A motion was made by Commissioner McKernan and seconded by Commissioner Wu to adopt Resolution #R-11:8-113, authorizing award with various vendors for the provision of janitorial supplies through the Camden County Cooperative Pricing System (Camden County Bid A-26) System Identifier #57-CCCPS. 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
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:8-113 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner Burley to adopt Resolution #R-11:8-114, 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
"	MacFarlane	-	YES
"	McKernan	-	ABSTAIN
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:8-114 was adopted.

A motion was made by Commissioner Biondi and seconded by Commissioner McKernan to adopt Resolution #R-11:8-115, authorizing payment of \$2,760,728.41 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	-	ABSTAIN
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:8-115 was adopted.

A motion was made by Commissioner McKernan and seconded by Commissioner MacFarlane to adopt Resolution #R-11:8-116, authorizing settlement. Mr. Kricun indicated that this resolution is regarding the Wells Fargo matter. Mr. Rosoff commented that the settlement was finally reached late Friday. The Bank had concerns regarding confidentiality and disclosure which have been addressed and as a result, the settlement amount was not included in the resolution, but in his memorandum to the Board, which is privileged under attorney client privilege rules. 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	-	ABSTAIN
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:8-116 was adopted.

A motion was made by Commissioner McKernan and seconded by Commissioner MacFarlane to adopt Resolution #R-11:8-117 authorizing a closed session for 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
"	McKernan	-	YES
"	Wu	-	YES
Chairwoman	Dixon	-	YES

Resolution #R-11:8-117 was adopted.

The meeting adjourned to closed session at 6:40 pm.

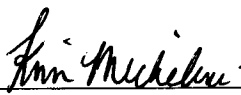
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A motion was made by Commissioner McKernan and seconded by Commissioner Biondi to return to open session. All Commissioners replied "aye" in favor. There being no question on the mater, the meeting returned to open session at 7:08pm so a unanimous vote

PUBLIC PARTICIPATION:
NONE

There being no further business, Chairwoman Dixon entertained for a motion of adjournment. A motion was made by Commissioner McKernan and seconded by Commissioner Biondi. The meeting adjourned at 7:08pm on a unanimous vote.

Minutes of this meeting were approved on September 19, 2011

Respectfully Submitted,



Kim Michelini
Assistant Authority Secretary