

## CERTIFICATION

I hereby certify the attached to be a true and correct copy of the **unapproved** Minutes of the June 19, 2017 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 17, 2017 Regular Meeting.



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Kim Michelini  
Authority Secretary

**THE CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY**

**MINUTES OF THE REGULAR MEETING HELD ON JUNE 19, 2017**

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:

PRESENT: Commissioners Bresch, Cuffee, MacFarlane, Stokes, Swartz & Sytnik  
Chairman Brennan

ABSENT: Commissioners Burley & Cutler

**STAFF PRESENT:**

Andrew Kricun, Executive Director  
Wayne Planamento, Chief Financial Officer  
Robert Cornforth, Director of O&M (*absent*)  
Len Gipson, Asst. Director of O&M  
Scott Schreiber, Director of Operations- Admin

Kim Michelini, Authority Secretary  
Alisa Smith, Secretarial Assistant

**CONSULTANTS:**

Joseph Carney Esq., Brown & Connery (Solicitor)  
Tassos Efstratiades, Obermayer Rebmann  
Maxwell & Hippel LLP

**OTHERS PRESENT:**

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 22, 2017 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 Cuffee and seconded by Commissioner Bresch to adopt the Minutes of the Regular Meeting held on May 15, 2017. 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, Cuffee, Stokes, Swartz, Sytnik	-	YES
Commissioner MacFarlane	-	ABSTAIN
Chairman Brennan	-	YES

The motion was carried.

**EXECUTIVE DIRECTOR'S REPORT:**

**D) ITEMS FOR DISCUSSION:**

In Mr. Cornforth's absence, Mr. Kricun updated the Board on the raw sewage overflow at the Chews Landing Pumping Station that occurred on Sunday, June 18<sup>th</sup>. At approximately 3:00pm on June 18<sup>th</sup> there was an accident that resulted in a PSE&G power outage. This power outage impacted the Chews Landing Pumping Station which pumps about 15 million gallons a day on a dry weather day. All 27 CCMUA pumping stations have a diesel generator on site as a backup for power failures. The generators are exercised weekly. There is an automatic transfer switch which, in the case of a power failure, will automatically switch over to the generator power. I was told by Mr. Cornforth many times previously that the generators are exercised once a week. Mr. Cornforth confirmed this again when I spoke with him on the phone yesterday. The transfer switch was also exercised and passed per Mr. Cornforth. However, in this case, the transfer switch failed resulting in no electricity from PSE&G or the backup generator and it was not in operation. The pump station has a wet well which can hold about 30 minutes' worth of flow, but the power outage was much longer than that- about 90 – 120 minutes.

Based on this amount of time, it is likely that about 800,000 gallons spilled out of the pump station, through manholes, etc. and into the Big Timber Creek which the pumping station is near.

The pump stations, while unmanned, do have an alarm system to alert the Operator on duty at the main plant when there is a problem such as a power failure, high levels, etc. at the pump station. The Operator on duty at the main plant observed that there was an alarm for a power outage at the Chews Landing Pumping Station and alerted the On-Call Operators that there was a problem at that station. Shortly after 3:00pm, a crew was sent to Chews Landing where they found that the transfer switch would not switch over and they called a CCMUA high level electrician (because of the high voltage) to manually turn the generator on. The electrician was finally able to turn the generator on around 5:30pm.

PSE&G restored power at about 6:00pm and the pumping station generator was turned off as PSE&G was supplying the electricity. The pump station is up and running now.

There are two main problems with this incident:

- 1 The transfer switch failed. Mr. Gipson is working with his staff to determine the cause of the failure and how best to repair the transfer switch. Chairman Brennan asked in the weekly test, are both the generator and the switch tested? Mr. Gipson stated that the switch is not tested every week under load, rather it is every other week under load. Commissioner Swartz asked if the operators document the testing of equipment in a log or other such place. Mr. Gipson said that the exercising of the generators and the transfer switch are part of the operators' normal routine. However, he was unsure of the documentation. Commissioner Bresch asked if there was any surge protection at the stations to which Mr. Gipson responded that it is uncertain at this time if there was damage done to the switch at the time of the failure. He added that there is lightning protection but is unaware if there is any other type of protection at the stations. Mr. Kricun added that Mr. Cornforth, who was absent from tonight's meeting due to a recent medical issue, has far more familiarity with the pumping stations.
- 2 The On-Call employees who responded failed to notify all the necessary parties. In this case, the operators on site didn't contact Mr. Cornforth until 5:00pm and no one notified Mr. Gipson or Mr. Kricun. At 7:45pm, KYW sent an email to the CCMUA (Cornforth, Gipson & Kricun) asking for a comment on the sewage spill at Chews Landing. Mr. Kricun contacted Mr. Cornforth who explained that the pump station was back in service that there was only several thousand gallons of sewage spilled. Mr. Kricun conferred with Mr. Gipson and Mr. Cornforth and has advised them to immediately issue a directive to the staff that in all cases of any kind of emergency (fire, spill, odor, etc.) that the Operators must notify Mr. Kricun, Mr. Cornforth and Mr. Gipson. Mr. Kricun added that once he received notification, he would then notify the Board. Chairman Brennan added that the County should also be notified so that proper notification to the residents, if any, can be disseminated. He further suggested that upon Mr. Cornforth's return to work, a meeting should be held to discuss the Authority's critical response and how the matter could have been handled differently.

**A) Administration:**

- 1) Environmental Management System - June 2017  
Commissioner Bresch asked for an update on the failure of the return sludge line. Mr. Gipson explained that during the plant was heavily stressed during the repair phase as there was a storm event at the time. The repairs have been made and the plant has stabilized. Testing to determine the overall condition of the pipe was performed and it was determined that portions of the pipe are less thick than expected and the pipe is likely reaching its useful life. Replacement of the pipe is listed as a capital project. Mr. Kricun added, that after the July 5<sup>th</sup> financing is complete, the staff will begin working of the most needed capital projects (additional piping at the plant and upgrades to the pumping station to improve vulnerability to power outages). Mr. Gipson stated that they were able to locate a vendor who has the type of switch gear needed at the CCMUA. The vendor will be out on site to provide support and/or assistance with this issue.

**B) Engineering:**

**C) Legal:**

**D) Operations & Maintenance:**

**E) Finance:**

- 1) Voucher Payment Resolutions - Report on Emergency Payments

**II) INFORMATIONAL ITEMS:**

**A) Administration:**

- 1) Organizational Chart

**B) Finance:**

Commissioner Bresch noted that there was an approximate payment of \$80,000 to Envirolutions on the expenditures and asked if this was a result of the a problem at the Lawnside pump station. Mr. Gipson stated that he would have to research this question and get back to him on it.

- 1) Collections Report - April 2017
- 2) Budget Review Report - April 2017

Commissioner MacFarlane asked why sludge and waste is over budget this month by \$30,000 to which Mr. Kricun noted that there has been a problem with the sludge thickening and dewatering facilities are not operating optimally. Previously, the sludge cake was at about 27-28% dry, but recently that has dropped to about 19-20% dry. Mr. Gipson has been researching this problem and has determined that part of the problem may have been due to the polymer. That was resolved and is now stabilized. The belt filter press manufacture- Ashbrook, will be out on site to evaluate the presses and why they're performing so poorly. Mr. Gipson added that all the spray nozzles have been replaced, the belts on the presses are in the process of being replaced, the polymer percentages are back in order and Ashbrook will be out to provide additional investigation, suggestions, training, etc.

Commissioner MacFarlane noted that utility costs are well under budget to which Mr. Kricun noted that this is largely due to Mr. Gipson's evaluation of how the oxygen plant was being operated. The pure oxygen system is a heavy energy user so the changes made to its operation have resulted in less energy consumption.

- 3) Cash Management Report - April 2017
- 4) NW Cash Flow Report - April 2017

Chairman Brennan suggested that each Commissioner review the format of the cash flow report and advise the staff if it needs any updating to make it simpler to review and/or understand. Mr. Schreiber noted that there is a \$1.4 million-dollar difference from last month to this month which is directly attributable to the timing of when user revenues are received. Payments for May 2017, however, are \$1.2 million to the good as compared to May 2016. Chairman Brennan suggested that next month's report include the previous month's figures so as to be able to make that comparison. Mr. Schreiber added that there is not a significant difference in the Authority's cash situation from last month to this month but will work to revise the report, by including a summary or chart, etc. to make it easier to understand. Mr. Schreiber will circulate it a draft to the Board for their review and comment before July's meeting.

Mr. Planamento explained that there was about \$110,000 in saving in chemicals this last month (\$55K at the main plant and \$55K in the interceptors). Mr. Kricun commented that this savings is due to Mr. Gipson's observation that we were overdosing for disinfection which is not only bad from a cost perspective, but also from an environmental standpoint (more chlorine into the river than necessary). A metering system was installed some time ago at Mr. Kricun's request, but was abandoned about 5 years ago. Mr. Gipson introduced a different kind of chemical dosing system which is a win-win. Commissioner MacFarlane noted that if the CCMUA continues to save on chemical costs as it has over the last 4 months (\$325,000), the saving per year will be significant (\$975,000 a year).

**C) Operations & Maintenance:**

- 1) Del. No. 1 WPCF- Operations Report - April 2017

**PUBLIC PARTICIPATION ON PROPOSED RESOLUTIONS: NONE**

**OLD BUSINESS: NONE**

**NEW BUSINESS:**

A motion was made by Commissioner MacFarlane and seconded by Commissioner Sytnik to adopt Resolution #R-17:6-76, authorizing a change order to the CCMUA's Landscaping Services Agreement with RPM Landscape Contractor, LLC. 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, Cuffee, MacFarlane, Stokes, Swartz, Sytnik	-	YES
Chairman Brennan	-	YES

Resolution #R-17:4-76 was adopted.

A motion was made by Commissioner Stokes and seconded by Commissioner Cuffee to adopt Resolution #R-17:6-77, authorizing an agreement with Atlantic County Utilities Authority for sludge disposal services. Commissioner MacFarlane asked if the ACUA was picking up from the CCMUA or was the CCMUA staff making deliveries to ACUA. Mr. Kricun explained that the ACUA picks up sludge from the CCMUA as the agreement calls for them to do so for a \$350 per load fee in addition for the disposal fee. 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, Cuffee, MacFarlane, Stokes, Swartz, Sytnik	-	YES
Chairman Brennan	-	YES

Resolution #R-17:4-77 was adopted.

A motion was made by Commissioner Bresch and seconded by Commissioner Swartz to adopt Resolution #R-17:6-78, authorizing an amendment to Resolution #R-16:10-129 of the Camden County Municipal Utilities Authority which authorized certain temporary funding notes series A and B of 2017. Mr. Efstratiades (CCMUA Bond Counsel) explained that the lender requested that the resolution be amended to include the specific terms such as the name of the bank (Webster Public Finance Corporation), the interest rate and maturity date. He noted that the maturity date is August 2, 2018, the interest rate will be just over 2%, and that the while CCMUA authorized a borrowing of \$35million, it will borrow \$29 million. Mr. Kricun noted that of the \$29 million, \$6million will be used to pay back First Colonial Bank and the remaining \$23 million will be used to make the July 15<sup>th</sup> debt service payment. Once the financing is complete, the CCMUA will be able to finalize its 2017 budget (it's currently operating under a temporary budget) and present it to the Board at the July 17<sup>th</sup> meeting. If the Board approves the budget, it will then be submitted to the DCA for its approval. 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, Cuffee, MacFarlane, Stokes, Swartz, Sytnik	-	YES
Chairman Brennan	-	YES

Resolution #R-17:4-78 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Cuffee to adopt Resolution #R-17:6-79, authorizing the execution of an agreement between the CCMUA and Sherwood Logan & Assoc., Inc for the supply and delivery of parts for Patterson 8x6 MI Pumps in accordance with Specification #17-07. 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, Cuffee, MacFarlane, Stokes, Swartz, Sytnik	-	YES
Chairman Brennan	-	YES

Resolution #R-17:4-79 was adopted.

A motion was made by Commissioner Sytnik and seconded by Commissioner Cuffee to adopt Resolution #R-17:6-80, authorizing the execution of an agreement between the CCMUA and Xylem Water Solutions USA,

Inc. of Malvern PA for the supply and delivery of parts for Flygt CP-3201.091 6" Submersible Pumps in accordance with Specification #17-11. Commissioner MacFarlane asked Mr. Gipson if he reviews the specifications to which Mr. Gipson responded that he does in some cases- if it is related to a specific project or main plant. 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, Cuffee, MacFarlane, Stokes, Swartz, Sytnik	-	YES
Chairman Brennan	-	YES

Resolution #R-17:4-80 was adopted.

A motion was made by Commissioner Cuffee and seconded by Commissioner Bresch to adopt Resolution #R-17:6-81, authorizing the execution of an agreement between the CCMUA and H. A. Dehart & Son of Thorofare, NJ for Stellar Service Crane (no installation) in accordance with RFQ #2017-1. 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, Cuffee, MacFarlane, Stokes, Swartz, Sytnik	-	YES
Chairman Brennan	-	YES

Resolution #R-17:4-81 was adopted.

A motion was made by Commissioner Bresch and seconded by Commissioner Swartz to adopt Resolution #R-17:6-82, authorizing the execution of an agreement between the CCMUA and Excelsior Blower Systems, Inc., of Blandon, PA to rebuild one (1) Excelsior Blower System in accordance with RFQ #2017-2. 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, Cuffee, MacFarlane, Stokes, Swartz, Sytnik	-	YES
Chairman Brennan	-	YES

Resolution #R-17:4-82 was adopted.

A motion was made by Commissioner Swartz and seconded by Commissioner Stokes to adopt Resolution #R-17:6-83, 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, Cuffee, MacFarlane, Stokes, Swartz, Sytnik	-	YES
Chairman Brennan	-	YES

Resolution #R-17:4-83 was adopted.

A motion was made by Commissioner Bresch and seconded by Commissioner Sytnik to adopt Resolution #R-17:6-84, authorizing payment of \$1,664,079.09 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, Cuffee, MacFarlane, Stokes, Swartz, Sytnik	-	YES
Commissioner MacFarlane	-	ABSTAIN
Chairman Brennan	-	YES

Resolution #R-17:4-84 was adopted.

A motion was made by Commissioner Swartz and seconded by Commissioner Cuffee to adopt Resolution #R-17:6-85, authorizing that the Authority hold a closed session meeting to discuss legal matters- concerning

contract negotiations and litigation. There being no question on the motion, All Commissioners responded "Aye" in favor.

Resolution #R-17:4-85 was adopted.

The meeting adjourned to Closed Session at 6:38pm

The meeting returned to Open Session at 7:09pm

**PUBLIC PARTICIPATION: NONE**

Chairman Brennan noted that at next month's Board meeting there will be an update on Grant Facility Management's evaluation. Commissioner Stokes thanked the CCMUA staff who manned the booths at two recent events in Collingswood- Mayfair and the Green Festival. They did a great job. Mr. Kricun added that Alisa Smith has been a great ambassador for the CCMUA and has attended several other events on behalf of the CCMUA.

There being no further business, Chairman entertained for a motion of adjournment. A motion was made by Commissioner MacFarlane and seconded by Commissioner Cuffee. There being no question, all Commissioners responded "Aye" in favor. The meeting adjourned at 7:10pm

Minutes of this meeting were approved on 7/17/17

Respectfully Submitted,



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Kim Michelini  
Authority Secretary