

CERTIFICATION

I hereby certify the attached to a true and correct copy of the unapproved Minutes of the July 18, 2016 adjourned 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 August 15, 2016 Regular Meeting.



Kim Michelini
Authority Secretary

THE CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

MINUTES OF THE REGULAR MEETING HELD ON JULY 18, 2016

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	-	ABSENT
"	Cuffee	-	YES
"	Kelly	-	YES
"	MacFarlane	-	YES
"	Swartz	-	YES
"	Wu	-	YES
Chairman	Brennan	-	YES

STAFF PRESENT:

Andrew Kricun, Executive Director
Wayne Planamento, Chief Financial Officer
Robert Cornforth, Director of O&M
Jack Connolly, Director of O&M
Scott Schreiber, Budget Officer

Kim Michelini, Authority Secretary

CONSULTANTS:

Mark Asselta (Brown & Connery/Solicitor)
Robert Serpente, D&B/Guarino

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 17, 2016 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 Kelly and seconded by Commissioner MacFarlane to adopt the Minutes of the Regular Meeting held on June 20, 2016. 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, Kelly, MacFarlane, Swartz, Wu	-	YES
Chairman Brennan	-	YES

The motion was carried.

EXECUTIVE DIRECTOR'S REPORT:

D) ITEMS FOR DISCUSSION:

A) Administration:

1) Environmental Management System- July 2016

Commissioner MacFarlane asked for clarification regarding the section of the report that stated that "as a result of a meeting that was held with Material Matter, a solids material distribution company, reducing sludge disposal costs is a real possibility." Mr. Kricun explained that if all the sludge produced is processed via the sludge dryer, approximately 40 tons of dried byproduct remains and must be disposed of. The CCMUA's contract with Synagro allows for the dried byproduct to be taken by Synagro to a cement kiln at \$40/ton. However, Synagro has reported that the dried byproduct is too light/powdery and unacceptable for that use. As an alternative, the byproduct could be sent to a landfill or possibly sold as a marketable Class A byproduct. Since Synagro has not succeeded in finding any other markets for the byproduct the CCMUA is paying \$80-\$90/ton to take it to a landfill. The CCMUA has the option to find other markets for the byproduct at no loss

of profit, etc to Synagro. For that reason, Mr. Kricun and Mr. Schreiber met with Material Matters to explore other less costly disposal options. More information or a recommendation regarding this matter will be provided to the Board at a future meeting.

Commissioner Bresch noted that according to the report, the CCMUA received 2 odor complaints in the last 30 days and that this is not a good result; a good result is zero complaints. Mr. Kricun agreed, further noting that he received 2 more odor complaints this past weekend. The Senior Operators were notified, investigated, and found no problems. In addition, there have been no odors reported from our pumping station in Winslow.

Commissioner Wu asked for clarification regarding the optimization of operations for the sludge drying facilities. Mr. Kricun explained that all three dryers passed the performance test for 73 tons/day. However, while all the dryers are processing all of the sludge produced, it is only because all three dryers are running (each dryer is taking 50-60 tons each). Mr. Connolly pointed out that for the last two weeks the dryers have processed an average of 210 tons/day, which would be quite close to the performance test levels so the issue may have been resolved. The storage building is empty; no sludge has been hauled in the last 2-3 weeks. Commissioner MacFarlane noted that the benefit in lower sludge disposal costs should soon be evident in the budget reports.

Mr. Kricun advised the Board that the digester project is moving forward. All permits have been received. NJDEP is expected to give the final approval to go out for bids at the end of August. If so, bids would be due in September, the award would be in October and loan closing would be in November. Construction is expected to take approximately 18 months. Chairman Brennan asked if the staff was monitoring cash flow in light of the start of the digester project and connection fee revenue being under plan. Mr. Schrieber responded that cash flow is being updated monthly. Chairman Brennan advised the staff to plan as if connection fee revenue is significantly short and to consider all possible financing options.

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**

- 1) Collections Report for June 2016
- 2) Budget Review Report for June 2016

Commissioner MacFarlane noted that sludge and waste was slightly over budget and that the reason was due to having to haul what was in the storage building. Mr. Kricun added that despite being slightly over, the CCMUA is within 1% of the budget.

- 3) Cash Management Report for May 2016

C) **Operations & Maintenance:**

- 1) Del. No. 1 WPCF & Winslow STP- Operations Report (May 2016)

Commissioner Wu asked for a reason as to why the Operations report is a month behind to which Mr. Cornforth replied this was due to the delay in receipt of lab data.

PUBLIC PARTICIPATION ON PROPOSED RESOLUTIONS: NONE

OLD BUSINESS: NONE

NEW BUSINESS:

A motion was made by Commissioner MacFarlane and seconded by Commissioner Swartz to adopt Resolution #R-16:7-96, accepting the annual audit for the year ending December 31, 2015 as prepared by Bowman & Company. Chairman Brennan noted that as a result of the recommendations made during the Exit Conference,

there needs to be follow-up on the items mentioned. Regarding connection fees, Mr. Kricun stated that both the Engineering and Finance Departments have met and changes have been implemented to address the issue. 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, Kelly, MacFarlane, Swartz, Wu	-	YES
Chairman Brennan	-	YES

Resolution #R-16:7-96 was adopted.

A motion was made by Commissioner Bresch and seconded by Commissioner MacFarlane to adopt Resolution #R-16:7-97, authorizing change order #1 to F.X. Browne for design engineering services needed for dredging of the Newton Lake. Chairman Brennan noted that the reason for the change order was due to a change in the scope of services requested by the Freeholders. 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, Kelly, MacFarlane, Swartz, Wu	-	YES
Chairman Brennan	-	YES

Resolution #R-16:7-97 was adopted.

A motion was made by Commissioner Bresch and seconded by Commissioner MacFarlane to adopt Resolution #R-16:7-98, authorizing the execution of an agreement for beneficial reuse of dewatered sludge cake with United Trucking, Inc., of Marlton, NJ and Solid Waste Services, Inc. D/B/A J.P. Mascaro & Sons of Audubon, PA in accordance with Specification #16-10. Commissioner MacFarlane noted that while the prices are higher the previous bid, the CCMUA only uses outside haulers if necessary. Mr. Kricun confirmed that the CCMUA will first send the sludge to the dryer, then haul it with existing CCMUA staff or as a last resort, use outside haulers. Commissioner Wu asked why a contract was being awarded to two vendors to which Mr. Cornforth explained that it is done for backup purposes. Mr. Kricun noted that once the digesters are installed and operational, the CCMUA will then be able to clearly evaluate its options regarding the dried byproduct and possible income recovery. 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, Kelly, MacFarlane, Swartz, Wu	-	YES
Chairman Brennan	-	YES

Resolution #R-16:7-98 was adopted.

Mr. Kricun noted that last month, the Solicitor recommended that additional information be sought regarding the firm's ownership before action could be taken on the bid. Mr. Asselta confirmed that the additional information was received and reviewed and that it is within the bidding requirements. Therefore, a motion was made by Commissioner Swartz and seconded by Commissioner Bresch to adopt Resolution #R-16:7-99, authorizing the execution of an agreement between the CCMUA and JWC Environmental, Inc. of Costa Mesa, CA for the repair of JWC "Channel Monster" grinders located at various Authority pump stations in accordance with Specification #16-06. 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, Kelly, MacFarlane, Swartz, Wu	-	YES
Chairman Brennan	-	YES

Resolution #R-16:7-99 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Swartz to adopt Resolution #R-16:7-100, 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. Chairman Brennan noted that there was a refund of a connection fee and asked for details regarding the matter. Mr. Planamento explained that a customer applied and made payment for a connection certificate, but later changed their mind regarding connecting to the CCMUA's system. The customer requested a refund which was granted. 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, Kelly, MacFarlane, Swartz, Wu - YES
Chairman Brennan - YES

Resolution #R-16:7-100 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Kelly to adopt Resolution #R-16:7-101, authorizing payment of \$8,884,555.29 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, Kelly, MacFarlane, Swartz, Wu - YES
Chairman Brennan - YES

Resolution #R-16:7-101 was adopted.

Chairman Brennan commented that the recent insert in the CCMUA billing statement was very informative. He suggested that the staff seek the opinion of the interns and staff as to what public information they might find valuable as an insert in the billing statement. There being no further business, a motion for adjournment was made by Commissioner MacFarlane and seconded by Commissioner Swartz. All Commissioners responded "Aye" in favor. The meeting adjourned at 6:24pm.

Minutes of this meeting were approved on 8/15/16

Respectfully Submitted,



Kim Michelini
Authority Secretary