

**MINUTES OF REGULAR MEETING  
OF THE  
CAPE MAY COUNTY MUNICIPAL UTILITIES AUTHORITY  
AUGUST 17, 2011**

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A Regular Meeting of the Cape May County Municipal Utilities Authority was held on Wednesday, August 17, 2011 at 1:30 P.M., at the Authority office in Swainton, N.J. Chairman Betts stated proper notice was given under the provisions of the Open Public Meetings Act. The Pledge of Allegiance was recited.

**ROLL CALL**

	<u>Present</u>	<u>Absent</u>
George W. Betts, Chairman	X	
John J. Pantalone, Vice Chairman	X	
William G. Burns, Jr.		X*
Patricia A. Callinan	X	
William J. McMahan, Jr.	X	
Beatrice Payne	X	
Thomas M. Phelan	X	

\* Late Arrival.

Also present were: Authority Staff, Charles M. Norkis, John R. Baron, Robert P. Donato, Thomas J. LaRocco, Joshua Palombo, Theresa A. Gallagher, Vincenette C. DiCicco, Ann M. McDevitt; Authority Solicitor, Howard C. Long, Esquire.

**MINUTES**

Minutes of the August 3, 2011 Regular Meeting were submitted for approval or correction. Mr. Pantalone offered MOTION TO APPROVE THE AUGUST 3, 2011 REGULAR MEETING MINUTES AS SUBMITTED, seconded by Ms. Payne, a Roll Vote followed:

	<u>Aye</u>	<u>Naye</u>	<u>Abstain</u>	<u>Absent</u>
Mr. Burns				x
Ms. Callinan	x			
Mr. McMahan	x			
Ms. Payne	x			
Mr. Phelan	x			
Mr. Pantalone	x			
Mr. Betts	x			

By unanimous Roll Vote, the August 3, 2011 Regular Meeting Minutes were approved as submitted.

**CORRESPONDENCE &  
COMMUNICATIONS**

1. Mr. Norkis reported on the results of the Bid Opening that took place on August 9, 2011 for the Avalon Force Main Replacement Project (SM/M-FM-04-11). He further reported that Sambol Construction Corporation, of Toms River, New Jersey, was the lowest responsive bidder for the Avalon Force Main Replacement Project (SM/M-FM-04-11) with a bid of approximately \$6.6 Million. He noted that the recommendation to award this Contract is anticipated to be submitted for approval at one of the Board Meetings in September of this year. He further noted that the progress on this project will be followed closely to ensure completion of the work by the summer of 2012.

2. Mr. Norkis discussed the results of the Bid Opening that took place on August 16, 2011 for the Filling of Sedimentation Basin No. 1 Project (SLF-13-11). He reported that R.E. Pierson was the lowest responsive bidder, with a bid of approximately \$4.4 Million. He noted that once the State completes its review of the bid submission, a recommendation to award this Contract will be submitted for Board approval sometime in September. The project is anticipated to begin in October with a completion deadline prior to the summer of 2012.

Note: Mr. Burns arrived at the Regular Meeting during the above-noted discussion.

3. Mr. Norkis noted that he and Mr. LaRocco, along with Leonard J. Wood, Esquire, of Wade, Long, Wood & Kennedy, will be attending a Condemnation Hearing on Thursday, August 18, 2011 regarding the 0.33 acre parcel of land required to implement the expansion of the Authority's Sanitary Landfill. This Hearing will determine the dollar value of the property, which was recently acquired by the Authority.

4. Mr. Norkis provided an update regarding the status of the Air Permit for the Authority's Landfill Gas to Energy Project. He reported that the permit has been approved for construction by the New Jersey Department of Environmental Protection (NJDEP) and has been published for public review in the local newspaper for a duration of forty-five (45) days. He noted that during the public commenting period, the United States Environmental Protection Agency (USEPA) also reviews the permit application and determines whether or not it is consistent with their requirements. However, since the USEPA participated in the State's review of the Air Permit, it is not anticipated that they will object to its approval.

**UNFINISHED  
BUSINESS**

**I. GENERAL COUNTY - WASTEWATER MANAGEMENT AND  
SOLID WASTE MANAGEMENT PROGRAMS (COMBINED)**

The Authority Members reviewed the recommendation of the Executive Director and Chief Financial Officer regarding selection of a firm to provide the CMCMUA with Professional Auditing Services. It was noted that, pursuant to the requirements of the Fair and Open Process under the Local Pay-to-Play Law, the CMCMUA, on July 6, 2011, advertised a Request for Proposals for Professional Auditing Services, with Proposals due by July 19, 2011.

In response to this Advertisement, one (1) Proposal was submitted. After reviewing this Proposal, the Authority's Chief Financial Officer and Executive Director recommended that Ford, Scott & Associates, L.L.C. (Ford Scott) be awarded a Contract as the CMCMUA's Auditor for a one-year term, compensation to be provided based on the hourly time charges contained in the Proposal submitted by Ford Scott, with a Not-to-Exceed Budget of \$50,000, including expenses to complete the 2011 Annual Audit Report, the 2011 Annual Landfill Closure Escrow Fund Audit Report, and an audit of the grants received in 2011. It was further recommended that an additional Supplemental Services Budget of \$10,000, to be authorized on an as-needed basis by the Authority's Executive Director or Chief Financial Officer, be included in this Contract Award. Following further discussion, Chairman Betts presented RESOLUTION AUTHORIZING THE AWARD OF A FAIR AND OPEN CONTRACT FOR AUDITING SERVICES - RFP-15-11 - FORD, SCOTT & ASSOCIATES, L.L.C. Mr. Phelan offered MOTION TO ADOPT THE RESOLUTION AS PRESENTED, seconded by Mr. Burns, a Roll Vote followed:

	<u>Aye</u>	<u>Naye</u>	<u>Abstain</u>	<u>Absent</u>
Mr. Burns	x			
Ms. Callinan	x			
Mr. McMahan	x			
Mr. Pantalone	x			
Ms. Payne	x			
Mr. Phelan	x			
Mr. Betts	x			

By unanimous Roll Vote, Resolution No. 69-11 was adopted, copy annexed hereto and incorporated herein.

**II. WASTEWATER MANAGEMENT PROGRAM -  
GENERAL COUNTY -**

1. Mr. Donato reported that the Local Finance Board has approved the Authority's Petition for refinancing a portion of the Authority's Sewer Revenue Bonds at a lower rate. The Authority's Bond Counsel, McManimon & Scotland, assured the Local Finance Board that the refunding, given the current market conditions, will far exceed the 3% net present value savings required by the Local Finance Board. To enable the CMCMUA to proceed with the refunding of its Sewer Revenue Bonds, Chairman Betts presented RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$15,500,000 PRINCIPAL AMOUNT OF SEWER REFUNDING REVENUE BONDS OF THE CAPE MAY COUNTY MUNICIPAL UTILITIES AUTHORITY. Mr. Phelan offered MOTION TO ADOPT THE

RESOLUTION AS PRESENTED, seconded by Mr. Burns, a Roll Vote followed:

	<u>Aye</u>	<u>Naye</u>	<u>Abstain</u>	<u>Absent</u>
Mr. Burns	x			
Ms. Callinan	x			
Mr. McMahon	x			
Mr. Pantalone	x			
Ms. Payne	x			
Mr. Phelan	x			
Mr. Betts	x			

By unanimous Roll Vote, Resolution No. 70-11 was adopted, copy annexed hereto and incorporated herein.

2. The Authority Members reviewed and discussed the six (6) Proposals received on August 2, 2011 to provide Underwriting Services in connection with the issuance of Sewer Revenue Bonds, Refunding Series 2011 (RFP-18-11). Following review of the Proposals, it was the recommendation of the Authority's Chief Financial Officer and Financial Advisor, with the concurrence of the Authority's Deputy Director, that the Proposal submitted by the firm of Roosevelt & Cross, Inc. best responded to the Authority's Request for Proposals and, therefore, should be awarded a Contract in the not-to-exceed amount of \$48,050.00 to serve as Underwriter to the Authority. It was noted that the Proposals were evaluated for each firm's capabilities, relevant experience and cost. Following further discussion, Chairman Betts presented RESOLUTION AUTHORIZING THE AWARD OF A FAIR AND OPEN CONTRACT FOR EXTRAORDINARY UNSPECIFIABLE SERVICES FOR BOND UNDERWRITING SERVICES - ROOSEVELT & CROSS, INC. Mr. McMahon offered MOTION TO ADOPT THE RESOLUTION AS PRESENTED, seconded by Mr. Burns, a Roll Vote followed:

	<u>Aye</u>	<u>Naye</u>	<u>Abstain</u>	<u>Absent</u>
Mr. Burns	x			
Ms. Callinan	x			
Mr. McMahon	x			
Mr. Pantalone	x			
Ms. Payne	x			
Mr. Phelan	x			
Mr. Betts	x			

By unanimous Roll Vote, Resolution No. 71-11 was adopted, copy annexed hereto and incorporated herein.

#### SLUDGE COMPOSTING FACILITY –

Mr. Palombo reported that on the early morning of August 9, 2011, the conveyor belt on Conveyor C-6 suffered a complete failure. This failure rendered the Sludge Composting Facility unable to convey sludge through the facility. Although alternative sludge disposal options were available to the Authority, the inability to move the sludge in the Composting Reactor Building that had already began the processing stages could have created a fire hazard. The Authority's General Counsel provided a Legal Opinion, dated August 10, 2011, which noted that under N.J.S.A. 40A:11-6 of the Local Public Contracts Law,

the equipment malfunction at the Sludge Composting Facility on August 9, 2011 is considered an emergency, since failure to take immediate and emergent action would likely have resulted in a threat to public health and represented a safety hazard to the general public. To ratify the required emergency conveyor belt repairs, Chairman Betts presented RESOLUTION AUTHORIZING THE EXPENDITURE OF FUNDS ON AN EMERGENCY BASIS IN ACCORDANCE WITH N.J.S.A. 40A:11-6 AND N.J.S.A. 19:44A-20.4 ET SEQ. Mr. Burns offered MOTION TO ADOPT THE RESOLUTION AS PRESENTED, seconded by Ms. Payne, a Roll Vote followed:

	<u>Aye</u>	<u>Naye</u>	<u>Abstain</u>	<u>Absent</u>
Mr. Burns	x			
Ms. Callinan	x			
Mr. McMahon	x			
Mr. Pantalone	x			
Ms. Payne	x			
Mr. Phelan	x			
Mr. Betts	x			

By unanimous Roll Vote, Resolution No. 72-11 was adopted, copy annexed hereto and incorporated herein.

### III. SOLID WASTE MANAGEMENT PROGRAM

#### GENERAL –

A proposed Resolution authorizing the issuance of Solid Waste Revenue Bonds listed on the Agenda for this Regular Meeting was tabled by unanimous roll call vote until a subsequent Regular Meeting of the Authority. No formal action or discussion took place on this issue.

#### SANITARY LANDFILL –

The Authority Members reviewed and discussed the three (3) bids received on June 28, 2011 to Furnish and Deliver Two (2) New Roll-Off Container Trailers (Contract SW-EQUIP-23-11). Following review of the bids received, it was the determination of the Authority's Assistant Solid Waste Manager, Purchasing Agent and General Counsel that the bid submitted by the apparent low bidder, BenLee Inc., was non-responsive and in non-compliance with the Bid Specifications for Contract SW-EQUIP-23-11 which represented a fatal flaw pursuant to the Local Public Contracts law. Following further review of the bids, the Authority's Assistant Solid Waste Manager and Purchasing Agent, with the concurrence of the Deputy Director and General Counsel, have determined that GranTurk Equipment Company, Inc. was the lowest responsive bidder for this Contract. Therefore, it was recommended that a Contract in the amount of \$143,970.00 be awarded to GranTurk Equipment Company, Inc., of Bridgeport, PA, whose bid met all requirements of the Bid Specifications for Contract SW-EQUIP-23-11. Following further discussion and review of the documentation submitted in support of the above-noted recommendation, Chairman Betts presented RESOLUTION AWARING CONTRACT TO GRANTURK EQUIPMENT COMPANY, INC. – FURNISH AND DELIVER TWO (2) NEW ROLL-OFF CONTAINER TRAILERS – CONTRACT SW-

EQUIP-23-11. Mr. McMahon offered MOTION TO ADOPT THE RESOLUTION AS PRESENTED, seconded by Ms. Callinan, a Roll Vote followed:

	<u>Aye</u>	<u>Naye</u>	<u>Abstain</u>	<u>Absent</u>
Mr. Burns	x			
Ms. Callinan	x			
Mr. McMahon	x			
Mr. Pantalone	x			
Ms. Payne	x			
Mr. Phelan	x			
Mr. Betts	x			

By unanimous Roll Vote, Resolution No. 73-11 was adopted, copy annexed hereto and incorporated herein.

#### RECYCLING –

The Authority Members reviewed the Preliminary Regional Recycling Program Progress Report for June 2011, which noted that Cape May County achieved a 36.23% municipal solid waste stream diversion rate and a 30.22% total solid waste stream diversion rate for the first six (6) months of 2011. It was pointed out that the above-noted recycling rates are preliminary and subject to change, based on the submission of data from independent recycling operations and final State review. Mr. Baron reported that the tonnage recycled for the month of June was slightly higher compared to the same period last year. Mr. Baron further reported that the Authority's Recycling Program has achieved a net gain of \$630,700 through June of this year compared to profit of \$151,711 for the same period in 2010.

#### PUBLIC DISCUSSION

None offered.

#### PAYMENT OF BILLS

1. On Motion by Mr. Pantalone, seconded by Mr. Burns, a Roll Vote followed on the approval of the Administration Vouchers List dated August 17, 2011:

	<u>Aye</u>	<u>Naye</u>	<u>Abstain</u>	<u>Absent</u>
Mr. Burns	x			
Ms. Callinan	x			
Mr. McMahon	x			
Ms. Payne	x			
Mr. Phelan	x			
Mr. Pantalone	x			
Mr. Betts	x			

By unanimous Roll Vote, the Administration Vouchers List dated August 17, 2011 was approved, copy annexed hereto and incorporated within.

2. On Motion by Mr. McMahon, seconded by Ms. Payne, a Roll Vote followed on the approval of the Wastewater Operating Funds Vouchers List dated August 17, 2011:

	<u>Aye</u>	<u>Naye</u>	<u>Abstain</u>	<u>Absent</u>
Mr. Burns	x			
Ms. Callinan	x			
Mr. McMahon	x			
Ms. Payne	x			
Mr. Phelan	x			
Mr. Pantalone	x			
Mr. Betts	x			

By unanimous Roll Vote, the Wastewater Operating Funds Vouchers List dated August 17, 2011 was approved, copy annexed hereto and incorporated within.

3. On Motion by Mr. Phelan, seconded by Mr. Burns, a Roll Vote followed on the approval of the Solid Waste Operations Fund Vouchers List dated August 17, 2011:

	<u>Aye</u>	<u>Naye</u>	<u>Abstain</u>	<u>Absent</u>
Mr. Burns	x			
Ms. Callinan	x			
Mr. McMahon	x			
Ms. Payne	x			
Mr. Phelan	x			
Mr. Pantalone	x			
Mr. Betts	x			

By unanimous Roll Vote, the Solid Waste Operations Fund Vouchers List dated August 17, 2011 was approved, copy annexed hereto and incorporated within.

4. On Motion by Mr. McMahon, seconded by Ms. Payne, a Roll Vote followed on the approval of the Solid Waste Operations Fund Vouchers List dated August 17, 2011:

	<u>Aye</u>	<u>Naye</u>	<u>Abstain</u>	<u>Absent</u>
Mr. Burns	x			
Ms. Callinan	x			
Mr. McMahon	x			
Ms. Payne	x			
Mr. Phelan	x			
Mr. Pantalone	x			
Mr. Betts	x			

By unanimous Roll Vote, the Solid Waste Project Fund Vouchers List dated August 17, 2011 was approved, copy annexed hereto and incorporated within.

The total of all four (4) approved Vouchers Lists, dated August 17, 2011, was \$1,728,352.50.

IV. MISCELLANEOUS

The Authority Members reviewed and discussed a recommendation from the Authority's Human Resources Director to authorize a continuation of the Authority's Employee Assistance Program by the execution of a Contract with EmployeeCare, the firm which has satisfactorily performed these services for the CMCMUA since 1993. It was recommended that a Contract be approved at this time which provides for a fixed fee of \$6,600.00, based upon \$40.00 per year, per full-time Authority employee (165 employees), which represents a small increase per person in fees for these services from last year. The Employee Assistance Program is available to all Authority employees and their family members and offers confidential counseling and informational services in a number of areas. To enable formal consideration of the above-noted recommendation, Chairman Betts presented RESOLUTION AUTHORIZING THE CONTINUATION OF CMCMUA EMPLOYEE ASSISTANCE PROGRAM WITH EMPLOYEECARE. Mr. Phelan offered MOTION TO ADOPT THE RESOLUTION AS PRESENTED, seconded by Mr. McMahon, a Roll Vote followed:

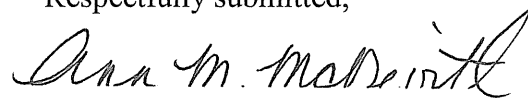
	<u>Aye</u>	<u>Naye</u>	<u>Abstain</u>	<u>Absent</u>
Mr. Burns	x			
Ms. Callinan	x			
Mr. McMahon	x			
Ms. Payne	x			
Mr. Phelan	x			
Mr. Pantalone	x			
Mr. Betts	x			

By unanimous Roll Vote, Resolution No. 74-11 was adopted, copy annexed hereto and incorporated herein.

NEW BUSINESS            None presented.

ADJOURNMENT            There being no further business, the Regular Meeting adjourned at 2:10 p.m.

Respectfully submitted,



Ann M. McDevitt  
Recording Secretary