

**MINUTES OF REGULAR MEETING
OF THE
CAPE MAY COUNTY MUNICIPAL UTILITIES AUTHORITY
SEPTEMBER 7, 2011**

A Regular Meeting of the Cape May County Municipal Utilities Authority was held on Wednesday, September 7, 2011 at 6:30 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	

Also present were: Authority Staff, Charles M. Norkis, John R. Baron, Thomas J. LaRocco, William W. Cathcart, Robert P. Donato, Theresa A. Gallagher, Ann M. McDevitt; Authority Solicitor, Howard C. Long, Esquire; Fred Pracht and Brian Reynolds of the Avalon Land and Homeowners Association.

MINUTES Minutes of the August 17, 2011 Regular Meeting were submitted for approval or correction. Mr. Pantalone offered MOTION TO APPROVE THE AUGUST 17, 2011 REGULAR MEETING MINUTES AS SUBMITTED, 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. McMahan	x			
Mr. Pantalone	x			
Ms. Payne	x			
Mr. Phelan	x			
Mr. Betts	x			

By unanimous Roll Vote, the August 17, 2011 Regular Meeting Minutes were approved as submitted.

TREASURER'S REPORT: Mr. Phelan offered MOTION TO ACCEPT THE JULY 31, 2011 TREASURER'S REPORT 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. McMahon	x			
Mr. Pantalone	x			
Ms. Payne	x			
Mr. Phelan	x			
Mr. Betts	x			

By unanimous Roll Vote, the July 31, 2011 Treasurer's Report was accepted as submitted, copy annexed hereto and incorporated herein.

CORRESPONDENCE & COMMUNICATIONS

1. Mr. Norkis opened a discussion regarding Hurricane Irene's impacts on the Authority's facilities. Mr. Baron, Solid Waste Program Manager explained that once the County of Cape May issued the hurricane warning and mandatory evacuation notice for the entire County on the afternoon of Thursday, August 25, all Solid Waste staff took the precautionary measures to ensure a successful closing and securing of the Solid Waste facilities. Authority's staff made courtesy calls to all solid waste haulers to inform them of the early closing planned for the Sanitary Landfill and Transfer Station facilities on Friday, August 26th and the complete shut down of the facilities on Saturday, August 27th. Mr. Baron pointed out that no major damage occurred at any of the Authority's Solid Waste facilities.

Mr. Cathcart, Wastewater Program Manager, briefly explained that once the hurricane warning was issued by the County, the Authority's established emergency plan protocol was initiated. He noted that all Wastewater facilities can be shut down quickly to eliminate any potentially harmful damage to the treatment process and equipment from flooding. He further noted that all facilities were staffed 24 hours per day during the storm, and many of the larger island pump stations were shut down and all their generators were disabled Saturday night to avoid unnecessary damage. Mr. Cathcart reported that all the municipal Public Works Departments cooperated well and no significant damaged occurred. He further noted that all pump stations were operational by 9:00 AM on Sunday, August 28, 2011.

2. Mr. Norkis announced that the regular Fall Household Hazardous Waste Day is scheduled for Saturday, September 10, 2011 from 8:00 AM to 12 NOON at the Sanitary Landfill in Woodbine, NJ.

UNFINISHED
BUSINESS

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

1. The Authority Members reviewed and discussed the proposed change to the County Agreement of 1974 for Wastewater Services and the County Agreement of 1980 for Solid Waste Services between the CMCMUA and the County of Cape May. It was noted that the Authority's Bond Counsel, McManinom and Scotland, recommended amending the descriptive language for the term "Bond" included in the County Agreements to ensure that the Authority can take advantage of significantly lower interest rates available under the New Jersey Environmental Infrastructure Trust Fund Financing. Following further discussion, Chairman Betts presented RESOLUTION OF THE CAPE MAY COUNTY MUNICIPAL UTILITIES AUTHORITY AMENDING THE DESCRIPTION OF THE TERM "BOND" CONTAINED IN THE WASTEWATER AND SOLID WASTE AGREEMENTS BETWEEN THE AUTHORITY AND THE COUNTY OF CAPE MAY PROVIDING ADDITIONAL SECURITY TO THE AUTHORITY'S BOND ISSUES. Mr. Burns offered MOTION TO ADOPT THE RESOLUTION AS PRESENTED, seconded by Mr. Phelan, 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. 75-11 was adopted, copy annexed hereto and incorporated herein.

2. Mr. McMahan presented the Authority's Insurance Committee's recommendation to renew its participation in the New Jersey Utility Authorities Joint Insurance Fund (JIF). He noted that the Authority's participation in the JIF since 1994 has proven to be extremely beneficial to the CMCMUA by providing insurance premium stability, expanded coverages and relatively low deductibles. To enable consideration of the above-noted recommendation, Chairman Betts presented RESOLUTION FOR RENEWAL OF MEMBERSHIP IN THE NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND. Mr. Phelan 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. McMahan	x			
Mr. Pantalone	x			
Ms. Payne	x			
Mr. Phelan	x			
Mr. Betts	x			

By unanimous Roll Vote, Resolution No. 76-11 was adopted, copy annexed hereto and incorporated herein.

3. The Authority Members reviewed the Construction Status Report on CMCMUA construction related activities prepared by the CMCMUA Staff. The following information was discussed in addition to the update provided in the written Status Report:

Landfill Gas to Energy – Mr. LaRocco reported that representatives of the hydrogen sulfide scrubber manufacturer were recently on-site to conduct formal start-up operations of the two (2) hydrogen sulfide scrubbers on landfill gas with Authority's Landfill staff. He further reported that on August 17, 2011, the NJDEP granted Pre-Construction Approval for the Air Pollution Control Operating Permit for the three (3) proposed electrical generators. He noted that approval of the final operating permit is pending public comment and USEPA review. The project is scheduled to be complete by November 2012.

Filling of Sedimentation Basin No. 1 – Mr. LaRocco reported that Bids were received on August 16, 2011 for Contract SLF-13-11 - Filling of Sedimentation Basin No. 1. He further reported that the NJDEP issued Authorization to Award on August 22, 2011. He noted that consideration of award is anticipated for later in this Regular Meeting.

Avalon Boulevard Force Main Replacement – Mr. LaRocco reported that Bids were received on August 9, 2011 for the Avalon Boulevard Force Main Replacement. He further reported that the NJDEP issued Authorization to Award on August 24, 2011. He noted that consideration of award is anticipated for later in this Regular Meeting.

4. The Authority Members reviewed the recommendation of the Executive Director regarding the proposed Amendment to the Contract for General Legal Counsel Services (RFP-18-10). Mr. Norkis noted that this increase, in the amount of \$22,000.00, will enable compensation for the additional services associated with unanticipated labor and personnel issues. Following further discussion, Chairman Betts presented RESOLUTION AUTHORIZING AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH WADE, LONG, WOOD AND KENNEDY FOR GENERAL LEGAL COUNSEL SERVICES. Mr. Pantalone offered MOTION TO ADOPT THE RESOLUTION AS PRESENTED, seconded by Mr. McMahan, 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. 77-11 was adopted, copy annexed hereto and incorporated herein.

II. WASTEWATER MANAGEMENT PROGRAM -
SEVEN MILE BEACH/MIDDLE REGION -

1. The Authority Members reviewed and discussed the eleven (11) bids received on August 9, 2011 for the Avalon Boulevard Force Main Replacement (SM/M-FM-04-11). During a review of the bids, it was determined by the Authority's Staff and General Legal Counsel that the apparent low bidder, Sambol Construction Corporation, submitted a bid in complete accordance with the Bid Specifications and Advertisement. It was the recommendation of the Authority's Chief Engineer and Purchasing Agent, with the concurrence of the Authority's Wastewater Program Manager, Executive Director and General Counsel that a Contract for a total bid price of \$6,664,777.00 be awarded to Sambol Construction Corporation, whose bid submission met all requirements of the bid documents for Contract SM/M-FM-04-11. It was noted that since Sambol Construction Corporation has not done any work to date for the Authority, five (5) references were contacted and it was determined that they have successfully completed several projects of similar size and type in New Jersey. To enable the formal consideration of the above noted recommendation, Chairman Betts presented RESOLUTION AWARDED CONTRACT SM/M-FM-04-11 AVALON BOULEVARD FORCE MAIN REPLACEMENT TO SAMBOL CONSTRUCTION CORPORATION. Mr. Burns offered MOTION TO ADOPT THE ABOVE RESOLUTION AS PRESENTED, seconded by Mr. Phelan, 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. 78-11 was adopted, copy annexed hereto and incorporated herein.

2. The Authority Members reviewed and discussed the ten (10) Proposals received on July 12, 2011 to provide Professional Services - Construction Inspection - Avalon Boulevard Force Main Replacement (RFP-11-11). Following review of the proposals, the Authority's Consultant Selection Committee selected the engineering firm of Hatch Mott MacDonald as the best qualified respondent to the Authority's Request for Proposal. Therefore, it was recommended that a Contract with a not-to-exceed budget of \$165,760.00 be awarded to Hatch Mott MacDonald at this time. Following further discussion, Chairman Betts presented RESOLUTION AUTHORIZING THE AWARD OF A FAIR AND OPEN CONTRACT FOR PROFESSIONAL CONSTRUCTION INSPECTION SERVICES AVALON BOULEVARD FORCE MAIN REPLACEMENT WITH HATCH MOTT MACDONALD (RFP-11-11). Ms. Callinan 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			
Mr. Pantalone	x			
Ms. Payne	x			
Mr. Phelan	x			
Mr. Betts	x			

By unanimous Roll Vote, Resolution No. 79-11 was adopted, copy annexed hereto and incorporated herein.

III. SOLID WASTE MANAGEMENT PROGRAM -

SANITARY LANDFILL -

1. The Authority Members reviewed and discussed the five (5) bids received on August 16, 2011 for the Sanitary Landfill - Filling Sedimentation Basin No. 1 (SLF-13-11), which represents the first phase of constructing the next landfill cell. During a review of the bids, it was determined by the Authority's Staff and General Legal Counsel that the apparent low bidder, Richard E. Pierson Construction Company, Inc., submitted a bid in complete accordance with the Bid Specifications and Advertisement. It was the recommendation of the Authority's Chief Engineer and Purchasing Agent, with the concurrence of the Authority's Solid Waste Program Manager, Executive Director and General Counsel that a Contract for a total not-to-exceed contract price of \$4,424,889.00 be awarded to Richard E. Pierson Construction Company, Inc., whose bid met all requirements of the bid documents for Contract SLF-13-11. It was noted that although Richard E. Pierson Construction Company, Inc. has not done any work to date for the Authority, this firm has successfully completed projects of varying sizes and types throughout southern New Jersey, southeastern Pennsylvania and northern Delaware. To enable the formal consideration of the above noted recommendation, Chairman Betts presented a RESOLUTION AWARDING CONTRACT SLF-13-11 SANITARY LANDFILL – FILLING SEDIMENTATION BASIN NO. 1 TO RICHARD E. PIERSON CONSTRUCTION COMPANY. 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. 80-11 adopted, copy annexed hereto and incorporated herein.

2. The Authority Members reviewed and discussed the ten (10) Proposals received on July 12, 2011 to provide Professional Services – Construction Inspection – Filling Sedimentation Basin No. 1 (RFP-12-11). Following review of the Proposals, the Authority's Consultant Selection Committee selected TRC Engineers, Inc. as the best qualified respondent to the Authority's Request for Proposal. Therefore, it was recommended that a Contract with a not-to-exceed budget of \$105,260.00 be awarded to TRC Engineers, Inc. at this time. Following further discussion, Chairman Betts presented RESOLUTION AUTHORIZING THE AWARD OF A FAIR AND OPEN CONTRACT FOR PROFESSIONAL CONSTRUCTION INSPECTION SERVICES FILLING SEDIMENTATION BASIN NO. 1 WITH TRC ENGINEERS, INC. (RFP-12-11). 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. 81-11 adopted, copy annexed hereto and incorporated herein.

RECYCLING -

The Authority Members reviewed the Preliminary Regional Recycling Program Progress Report for July 2011, which noted that Cape May County achieved a 36.01% municipal solid waste stream diversion rate and a 31.02% total solid waste stream diversion rate for the first seven (7) 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 July was slightly lower compared to the same period last year. Mr. Baron further reported that the Authority's Recycling Program has achieved a net gain of \$861,927 through July of this year compared to profit of \$269,217 for the same period in 2010. The full net gain at the end of the year will be rebated back to Cape May County's municipalities.

**PUBLIC
DISCUSSION**

None offered.

**PAYMENT OF
BILLS**

1. On Motion by Mr. Callinan, seconded by Mr. McMahon, a Roll Vote followed on the approval of the Administration Vouchers List dated September 7, 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 September 7, 2011 was approved, copy annexed hereto and incorporated within.

2. On Motion by Ms. Callinan, seconded by Ms. Payne, a Roll Vote followed on the approval of the Wastewater Operating Funds Vouchers List dated September 7, 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 September 7, 2011 was approved, copy annexed hereto and incorporated within.

3. 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 September 7, 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 September 7, 2011 was approved, copy annexed hereto and incorporated within.

4. On Motion by Ms. Callinan, seconded by Mr. Burns, a Roll Vote followed on the approval of the Solid Waste Project Fund Vouchers List dated September 7, 2011:

	<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, the Solid Waste Project Fund Vouchers List dated September 7, 2011 was approved, copy annexed hereto and incorporated within.

The total of all four (4) approved Vouchers Lists, dated September 7, 2011, was \$1,178,817.63.

NEW BUSINESS None presented

ADJOURNMENT There being no further business, the Regular Meeting adjourned at 7:55 p.m.

Respectfully submitted,



Ann M. McDevitt
Recording Secretary

9/08/11