

MINUTES OF THE REGULAR MEETING OF THE MIDDLESEX COUNTY UTILITIES AUTHORITY – THURSDAY– DECEMBER 20, 2012 – 4:00 P.M.

A Regular Meeting of the Middlesex County Utilities Authority was held at the Authority Board Room, Main Street Extension, Sayreville, New Jersey on Thursday, December 20, 2012.

Notices of the meeting was mailed to the three counties and the News Media - The Courier News, The Star Ledger and The Home News Tribune in compliance with the Open Public Meetings Law and New Jersey Statutes.

The meeting was called to order by Chairman Ted Light at 4:00 P.M.

Present were: Chairman Ted Light; Vice Chairman John Wiley; Commissioners: Jerome Convery, Wayne Hamilton, Joseph Juliano, Raymond Murray and James Zullo.

Absent were: Commissioners Linda Carter, Edward Cohen, Antonio Cruz and Robert Karabinchak.

Also present were: Executive Director, Richard L. Fitamant; John Hoffman, Esq., Construction/General Counsel; Dan Tanzi, Wastewater Division Manager and Margaret Brennan, Comptroller.

APPROVAL OF MINUTES

Motion for approval of the Minutes of the Regular Meeting and Public Hearing of Thursday, November 29, 2012 was made by Commissioner Murray, seconded by Vice Chairman Wiley and carried.

Commissioner Convery and Commissioner Zullo abstained

PUBLIC PORTION ON RESOLUTIONS

There were no comments from the public on any of the Resolutions

RESOLUTIONS

Resolution No. WW-12-12-1-R

Agreement for Wastewater Health & Safety Consulting Services 2013 – Skyline Environmental, Inc. – Not to Exceed \$435,405.00

Resolution No. WW-12-12-2-R

Amendment No. 1 to Agreement for Pipeline Structural Engineering Services 2012 – Openaka, Inc., A Division of Pureservice, Inc.

Resolution No. WW-12-12-3-R

Engineering Services Related to Planning, Design, Construction Monitoring, Regulatory & Permit Requirements Related to Air Emissions, Groundwater Monitoring, AST's & Solar Power Facilities for the Wastewater Division 2013 – CDM Smith, Inc. – Not to Exceed \$240,561.00

Mr. Fitamant reported that the Fair and Open process was followed for the Professional Services. Two responses were received from the RFQ and CDM Smith provided the most favorable response. CDM Smith, the current service provider, was requested to provide a proposal for services.

Resolution No. WW-12-12-4-R

2013 Authorization to Execute Wastewater Purchase Orders Under Various New Jersey State Contracts

Resolution No. WW-12-12-5-R

Resolution Approving Emergency Contracts for Repair of Storm Damage – One Vendor for an Amount Not to Exceed \$300,000.00

Mr. Fitamant reported that this resolution is for Emergency Services during Hurricane Sandy for one vendor, Rapid Pump, primarily for work at the Edison Pump Station. The emergency work at the Edison pump station is nearly completed.

Resolution No. WW-12-12-6-R

Authorization of Memorandum of Agreement Between the State of New Jersey and the Middlesex County Utilities Authority – Hurricane Sandy Public Assistance

Mr. Fitamant explained the Memorandum of Agreement between the State of New Jersey and the Middlesex County Utilities Authority. The Agreement sets forth the procedure for MCUA reimbursing the State for the local share of FEMA funded public assistance related to Hurricane Sandy.

Resolution No. WW-12-12-7-R

Authorization of Operating and Design and Construction Agreement for the Use of Reclaimed Water Between CPV Shore, LLC, and Middlesex County Utilities Authority

Mr. Fitamant reported that this Resolution pertains to the sale of Reclaimed Water Effluent for Reuse at a power plant to be constructed in Woodbridge by CPV Shore, LLC. The MCUA has been negotiating an operating agreement and this resolution sets forth the details of the sale of reclaimed water consistent with the service fee. The MCUA is also looking for authorization to approve the design and construction agreement for project related work performed by MCUA to be reimbursed by CPV Shore, LLC.

Mr. John Hoffman reported that both of these agreements are secured by letter of credit and the operating agreement is a 30 year agreement. Mr. Hoffman further spoke about the reclaimed water pipeline being used by CPV through MCUA's tunnel and the need to determine the cost for the use of the tunnel and other MCUA easements to be used by CPV. Mr. Hoffman stated this is a great project for the County and it was a pleasure to work with CPV and their attorneys and feels this will be a very successful project.

Chairman Light recognized Mr. Art Ciffeli and representatives of CPV. Mr. Ciffeli stated that it was great working with everyone at the MCUA.

Commissioner Murray questioned how the MCUA will be reimbursed for the construction work performed.

Mr. Hoffman stated that CPV will pay as the work is performed and no financing is necessary from the MCUA

Resolution No. SW/WW-12-12-8-R

Extension of Contact to December 31, 2013 – Vision Plan Insurance Coverage 1/1/13 – 12/31/13 – Vision Benefits of America – Not to Exceed \$16,700.00

Resolution No. SW/WW-12-12-9-R

Extension of Contract to December 31, 2013 – Long Term Disability Benefits Insurance 2013 – Lincoln Financial Group – Not to Exceed \$45,000.00

Resolution No. SW/WW-12-12-10-R

Resolution Fixing and Determining the Appointment, Classification and Salary Range for Employees of the Middlesex County Utilities Authority

Mr. Fitamant reported that this resolution establishes the roster of MCUA employee positions for 2013 along with a COLA, which is 2.2%, for non union employees. This resolution also establishes three job description changes due to additional job requirements.

Resolution No. SW-12-12-11-R

Agreement for Solid Waste Health & Safety Consulting Services 2013 – Skyline Environmental, Inc. – Not to Exceed \$98,850.00

Resolution No. SW-12-12-12-R

Approval of the Second Amendment to the Amended Recycling/Shared Services Agreement Between Middlesex County Utilities Authority and Middlesex County Improvement Authority

Mr. Fitamant explained that this resolution is for shared services agreement between the MCUA and MCIA. MCUA will continue to provide MCIA a \$2,750,000 subsidy for recycling. The Solid Waste Service Management Fee is \$9.92 per ton for waste generated in county but disposed out of County. The MCIA is receiving most of the proceeds from this Fee to be used for recycling. If the proceeds exceed \$1.1 million, the MCUA is provided with the excess amount. The MCUA is projecting to receive \$91,000 from the excess amount for 2012.

Commissioner Zullo questioned if that means that more waste is leaving the county?

Mr. Fitamant responded yes and added that income is negatively affected when Middlesex County Landfill ID 10 waste is disposed Out of County.

Resolution No. SW-12-12-13-R

Authorization to Execute Agreements for Solid Waste Disposal Services with County Government and Municipalities

Mr. Fitamant explained these agreements as a continuation of the discount disposal arrangements with County Government and Municipalities with an established contract rate of \$62.50 per ton for 2013, which is unchanged from last year. In order to receive this rate these entities have to dispose all of their ID10 waste generated in Middlesex County at the Middlesex County Landfill.

Resolution No. SW-12-12-14-R

Authorization to Execute Agreements for Tier One Solid Waste Disposal Services with Private Haulers and Generators

The resolution is for the Tier I Agreements for discounted disposal arrangements with private Generators and Haulers with the established rate \$62.50. These contracts require a minimum commitment of 1,000 tons per year and disposal of all ID10 waste originating in Middlesex County at the Middlesex County Landfill.

The Tier Two contracts are also available which allows Haulers to divert portions of their waste out of county. The Tier Two Contract discounted disposal rate of \$65.50 per ton will be in effect for 2013.

Resolution No. SW-12-12-15-R

Authorization of Settlement Agreement with the Middlesex County Department of Public Health and Safety
Environmental Health Division

This Resolution is a Settlement Agreement relating to an odor incident at the Middlesex County Landfill.

Resolution No. SW-12-12-16-R

Approval of Second Amended Agreement Between Middlesex County Utilities Authority and the County of
Middlesex

This resolution is for the payment to the County of Middlesex that the MCUA provides in connection with the Landfill operation. The payment is \$3.5 million for 2013. During the subsequent four years the MCUA will pay \$7.00 per ton based on waste collected the subsequent year based on anticipated 500,000 tons of solid waste per year or \$3.5 million. If the waste received is less than 475,000 tons the MCUA will pay \$3,500,000 less than \$7.00 per ton. If the waste in one year is greater than 525,000 tons, the MCUA will pay \$3,500,000. plus \$7.00 per ton. Notwithstanding the above, in no event shall the amount paid by the MCUA to the County in any one of the last 4 years be lower than \$3,325,000 or more than \$3,675,000.

Mr. Fitamant highlighted other parts of the Agreement, such as MCUA's involvement in the County's process for the approval of Solid Waste Facility Applications relating to ID10 waste

The above resolutions were presented and moved for adoption by Commissioner Zullo. The motion was seconded by Commissioner Convery and the following members voted Aye:

Chairman Light; Vice Chairman Chiaravalli; Commissioners Convery, Hamilton, Juliano, Murray and Zullo.

Nays: None

(See Appendix Nos. 1-16)

EXECUTIVE SESSION

A motion was made by Commissioner Murray to enter into Executive Session, seconded by Commissioner Hamilton and carried for purpose of discussing Host Community Benefits and a potential fine by EPA relating to past landfill operations.

Upon completion of the Executive Session, the Public Session was re-opened. John Hoffman, Esq. reported that during Executive Session discussions took place regarding Host Community Benefits and a potential fine/EPA Violation. No action will be taken.

NEW BUSINESS

Mr. Fitamant updated the board on the status of the Edison Pump Station stating that three of five main pumps are up and running and capable of conveying 72 mgd. The 4th pump should be operational shortly. The Edison Pump Station is capable of handling both dry and wet weather wastewater flow.

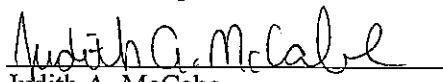
Mr. Fitamant then updated the Board on the Sayreville Pump Station. While the Main pumping equipment is being prepared, a temporary By-Pass system has been construction and able to convey approximately 70 mgd. One Main pump in the Original Sayreville Pump Station is operating with a second pump to be operation tomorrow. Both these pumps are rated for 40 mgd each. No dry weather overflows have been experienced since December 8, 2012. However, due to limited pumping capacity at the Station, wet weather overflows will continue and will become more infrequent as additional main pumps are restored and placed back into service. Wet weather overflow facilities are in place to divert wastewater flows from the pumping station to avoid flooding and prevent damage to the ongoing facility rehabilitation work.

Mr. Fitamant explained that the MCUA is seeking funding from FEMA for all the ongoing repairs related to Hurricane Sandy, pointing out that Hatch Mott MacDonald is involved providing assistance to the MCUA.

Mr. Fitamant spoke about new FEMA flood levels. If the Authority rehabilitates existing equipment, it can remain. If the MCUA installs new equipment it would need to conform with new FEMA flood elevations necessitating the raising of equipment several feet above current levels.

There being no further business, Chairman Light called for a motion to adjourn. Motion was made by Commissioner Murray at 5:25 p.m., seconded by Commissioner Hamilton and carried.

I hereby certify that these minutes are a true and accurate summary of that which transpired at the MCUA board meeting of December 20, 2012.



Judith A. McCabe