

AGENDA
CUMBERLAND COUNTY UTILITIES AUTHORITY
SEPTEMBER 19, 2019

1. CALL TO ORDER
2. ANNOUNCEMENT THAT ADEQUATE NOTICE OF THIS MEETING WAS PROVIDED IN ACCORDANCE WITH CHAPTER 231, P.L. 1975 (THE OPEN PUBLIC MEETINGS ACT)
3. FLAG SALUTE
4. ROLL CALL
5. MINUTES OF THE REGULAR MEETING OF AUGUST 15, 2019
6. REPORTS
 - A. EXECUTIVE DIRECTOR
 - B. ENGINEER
 - C. AUDITOR
 - D. GENERAL COUNSEL
 - E. COMMITTEES
 - 1) COMMUNITY/INDUSTRIAL RELATIONS – Commissioner Andre
 - 2) EMPLOYEE RELATIONS – Commissioner Rajacich
 - 3) FACILITIES EXPANSION/CONSTRUCTION - Commissioner VanSant
 - 4) FINANCE AND BUDGET – Vice-Chairman Wasserman
 - 5) OPERATIONS/INSURANCE - Commissioner Young
 - 6) AD HOC – Commissioner Edwards
7. RESOLUTIONS –
 - A. RESOLUTION ACKNOWLEDGING THE RECEIPT & CERTIFYING THE REVIEW OF THE 2018 AUDIT REPORT
 - B. RESOLUTION ADOPTING A CORRECTIVE ACTION PLAN FOR THE AUTHORITY’S 2018 AUDIT
 - C. RESOLUTION AUTHORIZING THE CCUA TO ENTER INTO A COOPERATIVE PRICING AGREEMENT
 - D. RESOLUTION AUTHORIZING AN AMENDMENT TO THE PROFESSIONAL SERVICE CONTRACT WITH CERTIFIED PUBLIC ACCOUNTANTS TO INCLUDE A CHANGE ORDER
 - E. RESOLUTION AWARDDING A CONTRACT FOR PARKING LOT RECONSTRUCTION
 - F. RESOLUTION AUTHORIZING THE CCUA TO ENTER INTO A COOPERATIVE PRICING AGREEMENT
8. TREASURER'S REPORT
 - A. CASH POSITION OF THE AUTHORITY
 - B. RESOLUTION APPROVING AND AUTHORIZING PAYMENT OF CERTAIN OPERATING ACCOUNT VOUCHERS
9. CHAIRMAN'S REMARKS
10. OPEN FLOOR FOR COMMENTS OF COMMISSIONERS
11. PUBLIC PORTION
12. ADJOURNMENT

CUMBERLAND COUNTY UTILITIES AUTHORITY

September 19, 2019

The Cumberland County Utilities Authority (CCUA) held its Regular Monthly Meeting on Thursday September 19, 2019 in the Meeting Room of the Operations Building, 333 Water Street, Bridgeton, New Jersey.

Representing the CCUA:

Albert Jones, Chairman
Keith Wasserman, Vice-chairman
William Andre, Commissioner
Angelia Edwards, Commissioner
Zarko Rajacich, Commissioner
Doug VanSant, Commissioner
Jerry Young, Commissioner
James Grace, General Counsel
Glen Miller, Engineer
Steve Testa, Auditor
C. Kenneth Hill, Secretary
Edward Bethea, Treasurer
G. Steven Errickson, Director
Daniel Jefferson, Deputy Director
Dominic Buirch, Business Administrator
Robert Carlson

Chairman Jones called the meeting to order, announced that adequate notice of this meeting has been given in accordance with Chapter 231, P.L. (THE OPEN PUBLIC MEETING ACT) and led in the flag salute.

Secretary Hill called the roll and a quorum was present.

Chairman Jones called for a motion to approve the minutes of the Regular Monthly Meeting of August 15, 2019. Motion was made by Vice-Chairman Wasserman, seconded by Commissioner Andre and carried unanimously at roll call.

Chairman Jones called for reports.

REPORTS

Director

Director Errickson submitted the August 2019 Discharge Monitoring Report (DMR) for inclusion into the minutes of this meeting. The Director noted that the plant effluent total suspended solids number has started to increase. Operations has placed the north secondary clarifier online to help increase the detention time and reduce the solids concentration in the effluent discharge. All other effluent parameters are well below permit limits.

Director Errickson noted that Advanced Solar is putting together plans and documents, and with the help of the Authority and Solicitor preparing to meet with officials of the Bridgeton Planning Board to meet their approval for the project. Also, forms and documents have been filled out, sent and received by NJDEP seeking CAFRA permitting. Application for CAFRA permit has been assigned to DEP agent as we wait for further information.

Director Errickson reported he had had not been contacted by BPU as of this date concerning the changes to the program. We were promised that sometime in September this year there would be another meeting and chance to discuss the new program. We hope to hear something soon.

Director Errickson reported that he met with the Claims Review Committee of the Cumberland County Insurance Commission and was happy to report once again that the Authority is doing very well when it comes to Safety and lost time accidents.

The Director also reported Kenneth Bella of Bella Technologies is on board as Authority IT Solutions Engineer and has taken over computer operations with a very smooth transition.

The Director also reported we continue to hold a number of staff meetings and communication meetings during the month keeping everyone informed.

The Director noted that he was asked to speak at the last Freeholder Board meeting on September 17, 2019. He was asked to present what he believed would be the benefits of having a compost site located in Cumberland County. I have listed them briefly.

1. Savings to the CCUA estimated \$ 130,000 per year.
2. Another outlet for disposal.
3. Less truck traffic, presently 20 trucks per week vs 3 to 4 truck per week.
4. Reduced hauling time by at least 50%.
5. Regulatory changes have forced multiple biosolids incinerators across the State to shut down.
6. Food processing companies are important Cumberland County economy. They will not locate or stay in the County if there is not a reliable, cost effective place for them to manage their organic waste stream.

The Director also noted that compost produced by this facility will be a useful product for nurseries and garden center users in the area and would be price friendly. This proposed facility uses proven technology.

Director Errickson also noted the following with regards to Operations and Maintenance:

The Frac-tanks that have been used for temporary sludge storage are no longer needed and will be returned to the owner as soon as possible.

Simpson and Brown have begun the process of replacing the fire hydrant located at the administration building near the break-room entrance.

Simpson and Brown have completed the installation of the new digester flare.

The south thickener tank has been cleaned by operations staff and maintenance personnel have modified and tested the rake arm assembly and found no operational problems. The tank has been placed in service at this time.

Operations staff met with representatives from YSI Corporation to discuss probe possibilities for the future SCADA upgrade.

The Authority is utilizing all sludge produced on site to fill the digester back up to the proper operating levels after the recent digester cleaning project. The Authority anticipates that no sludge will be hauled off site for approximately six to eight weeks.

The Federal Prison Pump Station is no longer in by-pass.

The Authority had the bid opening for the asphalt replacement project, bids have been evaluated and we have it on the agenda today. Also, the Authority has also completed the Right to know training required for all employees.

The Director noted that we have six (6) resolutions on the agenda today.

Resolution "A" Recognizing the Receipt and Certifying Review of 2018 Audit.

Resolution "B" Adopting corrective action plan for 2018 Audit.

Resolution "C" Authorizing the CCUA to enter into Co-op pricing agreement. (Bergen County for SKATA)

Resolution "D" Authorizing an Amendment to professional Service Contract with certified Public Accountants.

Resolution "E" To Award contract for Parking Lot reconstruction.

Resolution "F" Authorizing the CCUA to enter into Co-op pricing agreement. (Passaic County for Sludge Thickener Tank).

The Director also noted we have a need for Executive Session today dealing with legal and personnel, with no action to be taken.

In conclusion, the Director offered his thanks to Deputy Director Daniel Jefferson, Administrative Assistant Stephanie Mick, Business Administrator Dominic Birch, Bob Carlson, Solicitor James Grace and Engineer Hugh Dougherty and the entire staff for their help in preparing this report.

Engineer

WWTP Headworks Grit System and Screening Replacement: Pennoni structurally inspected the Head Structure on May 24 that included feasibility for installing proposed grit removal equipment in and adjacent to the Head Structure. Pennoni prepared and submitted a Condition Assessment Report on the Head Structure for Authority's review on July 19. Pennoni is preparing preliminary design plans of proposed equipment layout for Authority's review in September/October.

Digesters and Storage Tanks Cleanout: Contract was awarded to Spectraserv, Inc. of Kearny, NJ for base bid amount of \$ 271,000 on February 21, 2019. Spectraserv has completed their contract work. Pennoni assisted the Authority in performing a tank inspection on July 30 and August 8. Pennoni also inspected one Sludge Thickener at the request of the Authority. Pennoni has transmitted a report to the Authority for review.

EQ Tank: Pennoni structurally inspected the EQ Tank on March 12, 2019 and submitted a Condition Assessment Report on the findings in April. Pennoni conducted a follow up petrographic survey in the field on May 24, 2019 with test results received in June. Pennoni prepared and submitted a revised Condition Assessment report on the EQ Tank Structure with the petrograph survey test results for Authority's review on July 19.

Parking Lot Reconstruction: Bids received September 12, 2019 for the parking lot reconstruction project; Ricky Slade Construction, Inc. of Bridgeton NJ is apparent low bidder. Pennoni recommended award to Ricky Slade Construction for the low bid amount of \$ 367,475.00 on September 12, 2019.

Pennoni assisting the Authority with obtaining survey information of the plant component elevations, as needed. A survey of the Primary and Secondary Clarifiers was completed on June 24, 2019.

No further action required with NJDEP in connection with the Upper Deerfield Pumping Station.

Other Projects or Issues:

Mayor Aitken Force main: Pennoni assisting the Authority with Cumberland County's relocation of the Authority's existing force main project along Aitken Drive, as needed.

Pennoni assisting Authority with the feasibility in accepting pretreated backwash water from Upper Deerfield Township, as needed.

Solar Project: Pennoni assisting the Authority with Advanced Solar Agreement and easement issues, as needed.

Pennoni to work with the Authority in review of Capital Budget Projects, as needed.

Maps/Plans

Pennoni periodically scans and place into a file sharing site, The Authority's existing record plans for wastewater treatment plant, pump station, and sanitary sewers.

Pennoni to update/obtain design and as-built drawings (public and private) and record as needed.

Auditor

Mr. Testa reported that he attended a finance and budget committee meeting and reviewed the draft of the 2018 Audit Report in detail. Draft copies of the audit were also sent to the rest of the Commissioners for their review. Hearing no comments on the Draft report, the report was issued, and final copies were provided to the Authority today. There were no changes from the draft report to the final report.

Mr. Testa then proceeded to briefly review some of the highlights of the Audit Report.

In the Independent Auditor's report (pages 1-3), the Authority received an "unmodified" or clean opinion on its financial statements for years ended December 31, 2018 and 2017 which states, in our opinion, the basic financial statements present fairly, in all material respects, the financial position, changes in financial position and cash flows of the Authority for the years 2018 and 2017 in accordance with GAAP. The Report includes an Emphasis of Matter section to describe the adoption of new accounting guidance (GASB Statement No. 75) Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, as well as the resulting Prior Period Restatement.

Since this audit is subject to Government Auditing Standards, there is also a report on Compliance and on internal control over financial reporting. (Pages 4&5). There were no significant deficiencies or material weaknesses noted with respect to internal control over financial reporting.

We did however note one instance of noncompliance required to be reported under Government Auditing Standards or auditing requirements as prescribed by the NJ Division of Local Government Services. This is reported in the Schedule of Findings and Recommendations as Finding 2018-001.

As a result of having the finding and recommendation, the Authority is required to prepare and has prepared, a Corrective Action Plan, the adoption of which is on the agenda today. That being the only finding, which was found by the Authority and brought to our attention back in September of last year, I would like to commend the Authority and the administrative staff for once again doing a very good job

Mr. Testa offered some financial highlights:

As reflected in Exhibit B (page 16), the Authority's operating revenues, which totaled approx. \$ 7,291,000 increased approximately \$ 335,000 or 4.81% over the prior year. Note that of that amount, billing to the users for Treatment Fees were \$ 229,000 or 3.55% higher than the prior year. Septage Fees increased approx. \$ 69,000, Connection Fees increased \$ 25,000, Surcharge Revenue decreased approx. \$ 9,500, Industrial Pretreatment Program Revenue decreased \$ 3,000. So operating Revenues experienced a positive variance from 2017 to 2018.

Operating Expenses, which consist of the Cost of Providing Services, Administrative and General Expenses and Depreciation, totaled \$ 5,606,000. That is a decrease of (\$ 364,000) or 6.10% from the prior year Operating Expenses of \$ 5,970,000. So, like the Operating Revenues, The Operating Expenses experienced a positive variance as well.

Note that on a budgetary basis, the Cost of Providing Services, decreased \$ 246,000 and Admin and General Expenses increased approx. \$ 146,000, overall still a \$100,000 decrease.

The Operating Revenue of \$ 7,291,000, less the Operating Expenses of \$ 5,606,000, resulted in an Operating Income \$ 1,685,000 which is \$ 699,000 higher than the prior year.

In 2018, the Authority's Non-Operating Revenues and Expenses netted to a net revenue amount of (\$ 82,000), compared to a net expense of (\$ 57,000) in 2017.

The net effect of all of this is that the Authority experienced an increase in net position for financial statement purposes, (in other words, net income) of approx. \$ 1,767,000 in 2018, compared to \$ 929,000 in 2017,

which is an increase of \$ 838,000. I would note these net income amounts are on a Generally Accepted Accounting Principles (GAAP) basis.

On a Budgetary Basis (as reflected in Schedule 2, pages 64 and 65), the Authority reported Revenues over Costs (or net income) in the amount of \$ 1,097,000 which is approximately \$ 549,000 higher than the prior year. Schedule 2 includes a reconciliation at the bottom of page 65 which shows how we get from the Budgetary Net Income to the GAAP Net Income reported on Exhibit B. Note that the Budgetary Basis Revenue was \$ 389,000 higher than the prior year, while the costs funded by revenues was (\$160,000) less than the prior year.

I would also note the Authority met the Rate Covenant contained in the Bond Resolution for 2018 which requires the Authority to collect revenues sufficient to meet the operating expenses and debt service.

So, from a financial standpoint I can report that the Authority had a good year financially and remains in good financial condition.

From an administrative standpoint I can report the Authority did a very good job, notwithstanding the one finding and recommendation reported in the audit report, as previously mentioned, no material instances of non-compliance, or significant deficiencies or material weakness in internal control noted.

In addition to the Audit Report, you have a correspondence which is the "Communication to Those Charged with Governance", which, in CCUA's case is the Commissioners. This correspondence explains the auditor's responsibilities, describes certain accounting practices, management's responsibilities, certain aspects of interaction with management and certain other matters that we are reporting to the Commissioners.

Resolution A on your agenda today acknowledges the receipt and certifies the review of the 2018 audit report. This should be acknowledged by the Commissioners signing the group affidavit. Please be sure to sign it before leaving today.

As a result of having one finding and recommendation noted in the audit report, the Authority is required to prepare a corrective action plan. You have a resolution on the agenda to adopt the corrective action plan as well.

Once approved, the resolutions are to be sent to the Division of Local Government Services along with the group form affidavit. The Synopsis of the Audit report, which we have provided, is to be published in the newspaper and forwarded to the Division of Local Government Services as well. We have filed the Audit Report with the Division of Local Government Services as required and uploaded an electronic copy to the NJIB.

We have also provided an electronic copy of the report to the Authority to upload to the Authority's website, and to provide to the Trustee. That will satisfy the filing requirements pertaining to the 2018 audit.

General Counsel

Mr. Grace stated that with respect to the matter involving Lance Electric, this matter has now come to a full conclusion as we are in receipt of the full settlement funds and same has been remitted to the CCUA. I will continue to monitor the pending litigation as it pertains to the remaining parties and try to avoid being re-embroiled in the midst of the litigation. I will have also completed the necessary filing for the Stipulation of Dismissal. He will continue to update this Board as more information becomes available.

Mr. Grace reported as to the Solar Project, we have made contact with the City of Bridgeton in an effort to request a courtesy review. They have acknowledged that they are willing to do so and are requesting that documents be submitted by October 4, 2019, and that the Planning Board Meeting scheduled for October will have our solar project on the agenda for courtesy review. In the event that it's necessary to provide a verbal presentation we will be available to do same. He will keep us updated as more information becomes available.

Mr. Grace stated he was available for any questions or concerns by the Director, staff and Commissioners.

Committees

There were no Committee meetings this past month.

RESOLUTIONS

RESOLUTION (3022) ACKNOWLEDGING THE RECEIPT AND CERTIFYING THE REVIEW OF THE 2018 AUDIT REPORT, offered by Commissioner Young, seconded by Commissioner Andre and carried unanimously at roll call.

RESOLUTION (3023) ADOPTING A CORRECTIVE ACTION PLAN FOR THE AUTHORITY'S 2018 AUDIT, offered by Commissioner VanSant, seconded by Commissioner Rajacich and carried unanimously at roll call.

RESOLUTION (3024) AUTHORIZING THE CUMBERLAND COUNTY UTILITIES AUTHORITY TO ENTER INTO A COOPERATIVE PRICING AGREEMENT, offered by Commissioner Young, seconded by Commissioner Andre and carried unanimously at roll call.

RESOLUTION (3025) AUTHORIZING AN AMENDMENT TO THE PROFESSIONAL SERVICE CONTRACT WITH CERTIFIED PUBLIC ACCOUNTANTS TO INCLUDE A CHANGE ORDER, offered by Commissioner Andre, seconded by Vice-Chairman Wasserman and carried unanimously at roll call.

RESOLUTION (3026) AWARDED A CONTRACT FOR PARKING LOT RECONSTRUCTION, offered by Commissioner Andre, seconded by Commissioner Edwards and carried, with Commissioners Rajacich and VanSant both marked as abstain at roll call.

RESOLUTION (3027) AUTHORIZING THE CUMBERLAND COUNTY UTILITIES AUTHORITY TO ENTER INTO A COOPERATIVE PRICING AGREEMENT offered by Commissioner Young, seconded by Commissioner Andre and carried unanimously at roll call.

Treasurers Report

Revenue Account	\$ 1,966,972.15
Operating Account	1,214,419.26
Petty Cash	500.00
Sensor Account	8,431.75
General Account	5,340,428.34
Plant Reconstruction/Replacement	3,598,247.66
User Revenue Reserve	607,758.15
Trust Account	1,583,460.65
Total Cash Position	\$14,320,217.96

Treasurer Edward Bethea reported that the bills submitted for payment today for the Operating Account total \$254,777.29 The Authority Chairman and Secretary have checked the vouchers. The Operating Account has sufficient funds to cover these checks and approval of Resolution B is recommended. The monthly bank statements are available for review if anyone is interested.

RESOLUTION (3028) APPROVING AND AUTHORIZING PAYMENT OF CERTAIN OPERATING ACCOUNT VOUCHERS, offered by Commissioner VanSant, seconded by Commissioner Young and carried unanimously at roll call.

Chairperson's Remarks

Chairman Jones thanked all our employees and staff for their hard work. He also reminded everyone to be careful driving as school is back in session and to be very diligent.

Commissioners-Public Remarks

There were no comments offered by the public or the Commissioners.

The meeting was adjourned on a motion from Commissioner VanSant.

The next regular Monthly Meeting of the Cumberland Counties Utilities Authority will be held Thursday October 17, 2019 in the Public Meeting Room of the Operations Building, 333 Water Street, Bridgeton, New Jersey at 4:30 pm.

Respectfully submitted,



C. Kenneth Hill, Secretary

CUMBERLAND COUNTY UTILITIES AUTHORITY

COMMISSIONER	AYE	NAY	ABSTAIN	ABSENT
ANGELIA EDWARDS	X			
WILLIAM ANDRE	X			
ZARKO RAJACICH	X			
DOUG VANSANT	X			
JERRY YOUNG	X			
KEITH WASSERMAN	X			
ALBERT JONES	X			

RESOLUTION # 3022
 Offered By Young
 Seconded By Andre'
 Dated September 19, 2019

RESOLUTION ACKNOWLEDGING THE RECEIPT AND CERTIFYING THE REVIEW OF THE 2018 AUDIT REPORT

WHEREAS, N.J.S.A. 40A:5A-15 requires the governing body of each local authority to cause an annual audit of its accounts to be made, and

WHEREAS, the annual audit report for the fiscal year ended December 31, 2018 has been completed and filed with the Cumberland County Utilities Authority pursuant to N.J.S.A. 40A:5A-15, and

WHEREAS, N.J.S.A. 40A:5A-17 requires the governing body of each authority to, within 45 days of receipt of the annual audit, certify by resolution to the Local Finance Board that each member thereof has personally reviewed the annual audit report, and specifically the sections of the audit report entitled "**Findings**" and "**Recommendations**", and has evidenced same by group affidavit in the form prescribed by the Local Finance Board, and

WHEREAS, the members of the governing body have received the annual audit and have personally reviewed the annual audit, and have specifically reviewed the sections of the annual audit report entitled "**Findings**" and "**Recommendations**" in accordance with N.J.S.A. 40A:5A-17,

NOW, THEREFORE BE IT RESOLVED, that the governing body of the Cumberland County Utilities Authority hereby certifies to the Local Finance Board of the State of New Jersey that each governing body member has personally reviewed the annual audit report for the fiscal year ended December 31, 2018, and specifically has reviewed the sections of the audit report entitled "**Findings**" and "**Recommendations**", and has evidenced same by group affidavit in the form prescribed by the Local Finance Board.

BE IT FURTHER RESOLVED that the secretary of the Authority is hereby directed to promptly submit to the Local Finance Board the aforesaid group affidavit, accompanied by a certified true copy of this resolution.

Passed and adopted at the special meeting of the Cumberland County Utilities Authority, held at the Authority's Administration Building, 333 Water Street, Bridgeton, New Jersey, on Thursday afternoon, September 19, 2019 at 4:30 p.m. prevailing time.

DATED: SEPTEMBER 19, 2019

IT IS HEREBY CERTIFIED THAT THIS IS A TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING HELD ON SEPTEMBER 19, 2019.

C. Kenneth Hill
 C. Kenneth Hill, Secretary

Sept. 19, 2019
 Date

Cumberland County Utilities Authority

LOCAL AUTHORITIES
GROUP AFFIDAVIT FORM

PRESCRIBED BY
THE NEW JERSEY LOCAL FINANCE BOARD

AUDIT REVIEW CERTIFICATE

We, the members of the governing body of the Cumberland County Utilities Authority, being of full age and being duly sworn according to law, upon our oath depose and say:

1. We are duly appointed members of the Cumberland County Utilities Authority.
2. We certify, pursuant to N.J.S.A. 40A:5A-17, that we have each reviewed the annual audit report for the fiscal year ended December 31, 2018, and specifically the sections of the audit report entitled "Findings" and "Recommendations".

(Print)

(Signature)

Albert Jones

Zarko Rajacich

Jerry Young

Angelia L. Edwards

William Andre

Douglas VanSant

Keith I. Wasserman

Albert Jones

Zarko Rajacich

Jerry Young

Angelia Edwards

William Andre

Douglas VanSant

Keith I. Wasserman

Cumberland County
Utilities Authority

Sworn to and subscribed before me

this 19 day of September, 2019

Notary Public of New Jersey

Smick



STEPHANIE J. MICK
NOTARY PUBLIC OF NEW JERSEY
Comm. # 50036992
My Commission Expires 4/22/2021

CUMBERLAND COUNTY UTILITIES AUTHORITY

COMMISSIONER	AYE	NAY	ABSTAIN	ABSENT
ANGELIA EDWARDS	X			
WILLIAM ANDRE	X			
ZARKO RAJACICH	X			
DOUG VANSANT	X			
JERRY YOUNG	X			
KEITH WASSERMAN	X			
ALBERT JONES	X			

RESOLUTION # 3023

Offered By VanSant

Seconded By Rajacich

Dated September 19, 2019

A RESOLUTION ADOPTING A CORRECTIVE ACTION PLAN FOR THE AUTHORITY'S 2018 AUDIT

WHEREAS, the State of New Jersey, Department of Community Affairs, Division of Local Government Services (the "Division") requires that each Authority prepare a corrective action plan and file same with the Division when any findings and recommendations appear in the annual Audit Report; and

WHEREAS, the Authority's auditors have completed the audit report for the year ended December 31, 2018; and

WHEREAS, said audit report contained a finding and recommendation, therefore requiring the preparation of a corrective action plan;

WHEREAS, the Authority has prepared the required corrective action plan which is attached and made a part hereof;

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the Cumberland County Utilities Authority, as follows:

The attached corrective action plan for the Authority's audit for the year ended December 31, 2018 be adopted and implemented immediately with a copy of this resolution to be forwarded to the Division of Local Government Services upon adoption.

Passed and adopted at the regular meeting of the Cumberland County Utilities Authority, held at the Authority's Administration Building, 333 Water Street, Bridgeton, New Jersey, on Thursday afternoon, September 19, 2019 at 4:30 p.m. prevailing time.

DATED: SEPTEMBER 19, 2019

CUMBERLAND COUNTY UTILITIES AUTHORITY
CORRECTIVE ACTION PLAN – 2018 AUDIT
FINDINGS AND RECOMMENDATIONS

Finding No. 2018-001

- A. Description:** N.J.S.A. 40A:11-5 permits certain contracts that exceed the local unit's bid threshold to be negotiated and awarded by resolution of the governing body without public advertising for bids.

N.J.S.A. 19:44A-20.4 requires that contracts over \$17,500 can be awarded using a "non-fair and open process" only after the Authority verifies the contractor did not make any reportable contributions that would preclude such an award during the one year preceding the award of the contract. That certification is due ten (10) days prior to the award of the contract.

- B. Analysis:** The Authority required the services of several contractors to finish the completion of a construction project where the initial contractor failed to complete the work. After months of delays from the initial contractor, and the contractor's bonding company, the Authority hired other contractors to complete the work. However, the Authority did so without properly awarding the contracts through resolutions of the governing body or having received the necessary political contribution certifications ten (10) days prior to the award of the contracts.

- C. Corrective Action:** The Authority discovered its error in September of 2018 and immediately adopted resolutions ratifying the award of the contracts, and obtained the necessary political contribution certifications. Going forward, management will review all contracts to determine if those contracts are required to be awarded by resolution of the governing body, and if they require the Authority to obtain the required political contribution certifications. If they are required, management will obtain the required certifications at least ten (10) days prior to the award of the contract and award the contracts by resolution of the governing body. The persons responsible for implementing the corrective action will be the Executive Director and Business Administrator.

- D. Implementation Date:** September 19, 2019

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CUMBERLAND COUNTY UTILITIES AUTHORITY

COMMISSIONER	AYE	NAY	ABSTAIN	ABSENT	
ANGELIA EDWARDS	X				RESOLUTION # <u>3024</u>
WILLIAM ANDRE	X				Offered By <u>Young</u>
ZARKO RAJACICH	X				Seconded By <u>Andre'</u>
DOUG VANSANT	X				Dated <u>September 19, 2019</u>
JERRY YOUNG	X				
KEITH WASSERMAN	X				
ALBERT JONES	X				

A RESOLUTION AUTHORIZING THE CUMBERLAND COUNTY UTILITIES AUTHORITY TO ENTER INTO A COOPERATIVE PRICING AGREEMENT

WHEREAS, N.J.S.A. 40A:11-11(5) authorizes contracting units to establish a Cooperative Pricing System and to enter into Cooperative Pricing Agreements for its administration; and

WHEREAS, the County of Bergen, hereinafter referred to as the “Lead Agency” has offered voluntary participation in a Cooperative Purchasing Alliance # CK07 - a Cooperative Pricing System for the purchase of goods and services; and

WHEREAS, on September 19, 2019 the governing body of the Cumberland County Utilities Authority, County of Cumberland, State of New Jersey duly considered participation in a Cooperative Pricing System for provision and performance of goods and services.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the Cumberland County Utilities Authority as follows:

1. That this Resolution shall be known and may be cited as the Cooperative Pricing Resolution of the Cumberland County Utilities Authority.
2. That pursuant to the provisions of N.J.S.A. 40A:11-11(5), the Executive Director is hereby authorized and directed to enter into a Cooperative Pricing Agreement with the Lead Agency.
3. That the Lead Agency shall be responsible for complying with the provisions of the Local Public Contracts Law (N.J.S.A. 40A:11-1et seq.) and all other provision of the revised statures of the State of New Jersey.
4. That this resolution shall take effect immediately upon passage.

Passed and adopted at the regular meeting of the Cumberland County Utilities Authority, held at the Authority's Administration Building, 333 Water Street, Bridgeton, New Jersey, on Thursday afternoon, September 19, 2019 at 4:30 p.m. prevailing time.

DATED: SEPTEMBER 19, 2019

CUMBERLAND COUNTY UTILITIES AUTHORITY

COMMISSIONER	AYE	NAY	ABSTAIN	ABSENT
ANGELIA EDWARDS	X			
WILLIAM ANDRE	X			
ZARKO RAJACICH	X			
DOUG VANSANT	X			
JERRY YOUNG	X			
KEITH WASSERMAN	X			
ALBERT JONES	X			

RESOLUTION # 3025

Offered By Andre'

Seconded By Wasserman

Dated September 19, 2019

A RESOLUTION AUTHORIZING AN AMENDMENT TO THE PROFESSIONAL SERVICE CONTRACT WITH CERTIFIED PUBLIC ACCOUNTANTS TO INCLUDE A CHANGE ORDER

WHEREAS, pursuant to Resolution 2981, the Cumberland County Utilities Authority entered into a Professional Service Contract for specialized accounting and auditing services with Romano, Hearing, Testa & Knorr in the amount of \$75,000 for 2019; and

WHEREAS, per Exhibit A of the contract, the Authority has requested additional services to be provided that were not included in the original cost, and as a result, it has been determined that services rendered by the Auditors will exceed the original contract amount; and

WHEREAS, the Executive Director and Business Administrator have determined that the incurred additional costs are within the scope of the contract and recommend approval of an increase to the contract, in the amount of \$5,000.00; and

WHEREAS, funds are available for this purpose.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the Cumberland County Utilities Authority that the Chairperson and Secretary of the Authority are hereby authorized and directed to execute the attached change order #1 to the contract of Romano, Hearing, Testa and Knorr for specialized accounting and auditing services to the Cumberland County Utilities Authority increasing the amount to "not to exceed" \$80,000.00.

Passed and adopted at the regular meeting of the Cumberland County Utilities Authority, held at the Authority's Administration Building, 333 Water Street, Bridgeton, New Jersey, on Thursday afternoon, September 19, 2019 at 4:30 p.m. prevailing time.

DATED: SEPTEMBER 19, 2019

CUMBERLAND COUNTY UTILITIES AUTHORITY

COMMISSIONER	AYE	NAY	ABSTAIN	ABSENT
ANGELIA EDWARDS	X			
WILLIAM ANDRE'	X			
ZARKO RAJACICH			X	
DOUG VANSANT			X	
JERRY YOUNG	X			
KEITH WASSERMAN	X			
ALBERT JONES	X			

RESOLUTION # 3026

Offered By Andre'

Seconded By Edwards

Dated September 19, 2019

RESOLUTION AWARDING A CONTRACT FOR PARKING LOT RECONSTRUCTION

WHEREAS, the Cumberland County Utilities Authority has heretofore advertised for bids for Parking Lot Reconstruction in accordance with the Specifications adopted on August 15, 2019, on file at its Wastewater Treatment Plant; and

WHEREAS, on September 12, 2019, three (3) bids received were from:

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| 1. Landberg Construction, LLC, Dorothy, NJ | \$414,334.50 |
| 2. Ricky Slade Construction, Inc., Bridgeton, NJ | \$367,475.00 |
| 3. South State, Inc., Bridgeton, NJ | \$456,780.50 |

and said bids were referred to the Authority's General Counsel, Executive Director and Consulting Engineer for tabulation, evaluation, report and recommendation; and

WHEREAS, the Authority's General Counsel, Executive Director and Consulting Engineer recommend that a Contract be awarded to Ricky Slade Construction, Inc., 54 Slade Lane, Bridgeton, NJ 08302; being the lowest responsible bidder in the amount of \$367,475.00.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the Cumberland County Utilities Authority as follows:

1. That there be a contract awarded to Ricky Slade Construction, Inc., 54 Slade Lane, Bridgeton, NJ 08302, being the lowest responsible bidder in the amount of \$367,475.00.
2. That the proper officers of this Authority be, and they are hereby authorized and directed to execute the Contract hereby awarded.

Passed and adopted at the regular meeting of the Cumberland County Utilities Authority, held at the Authority's Administration Building, 333 Water Street, Bridgeton, New Jersey, on Thursday afternoon, September 19, 2019 at 4:30 p.m. prevailing time.

DATED: SEPTEMBER 19, 2019