



**AGENDA
CUMBERLAND COUNTY UTILITIES AUTHORITY
MAY 16, 2024**

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. MOMENT OF SILENCE
5. ROLL CALL
6. MINUTES OF THE REGULAR MEETING ON APRIL 18, 2024, AND FINANCE BUDGET COMMITTEE MEETING HELD ON MAY 2, 2024.
7. RESOLUTION #3402 MOTION TO ENTER INTO EXECUTIVE SESSION NOT OPEN TO THE PUBLIC FOR MATTERS RELATING TO LITIGATION, CONTRACTS, ATTORNEY-CLIENT PRIVILEGE AND EMPLOYMENT RELATIONSHIP WITH ACTION PLANNED.
- 8.
9. **REPORTS**
 - A. EXECUTIVE DIRECTOR – ROBERT CARLSON
 - B. ENGINEER – SUBURBAN CONSULTING ENGINEERS
 - C. GENERAL COUNSEL - KEVIN McCANN
 - D. AUDITOR – ROMANO, HEARING, TESTA & KNORR
 - E. COMMITTEES
 - (1) EMPLOYEE RELATIONS –
 - (2) INDUSTRIAL WASTE –
 - (3) COMMUNITY RELATIONS-
 - (4) INSURANCE –
 - (5) OPERATIONS –
 - (6) FACILITY EXPANSION –
 - (7) FINANCE AND BUDGET-
 - (8) AD HOC –
10. **RESOLUTIONS**
 - #3403 **RESOLUTION ACKNOWLEDGING THE RECEIPT AND CERTIFYING THE REVIEW OF THE 2022 AUDIT REPORT**
 - #3404 **RESOLUTION ADOPTING A CORRECTIVE ACTION PLAN FOR THE AUTHORITY’S 2022 AUDIT**
 - #3405 **RESOLUTION OF THE CUMBERLAND COUNTY UTILITIES AUTHORITY DECLARING ITS OFFICIAL INTENT TO REIMBURSE EXPENDITURES FOR PROJECT COSTS FROM THE PROCEEDS OF DEBT OBLIGATIONS IN CONNECTION WITH ITS PARTICIPATION IN THE NEW JERSEY BANK FINANCING PROGRAM**
 - #3406 **RESOLUTION AWARDING KUEHNE CHEMICAL CO, INC. FOR THE SUPPLY AND DELIVERY OF SODIUM HYPOCHOLORITE SOLUTION**
 - #3407 **RESOLUTION AWARDING AECOM ASSOCIATES FOR SOLIDS HANDLING EVALUATION**
 - #3408 **RESOLUTION FOR REJECTION BIDS FOR SLUDGE AND SOLID WASTE HAULING SERVICES**
 - #3409 **RESOLUTION SETTLEMENT AGREEMENT OF DOCKET NUMBER AR:2024-156**
11. **TREASURER'S REPORT**
 - A. CASH POSITION OF THE AUTHORITY
 - B. RESOLUTION #3410 APPROVING AND AUTHORIZING PAYMENT OF CERTAIN OPERATING ACCOUNT VOUCHERS
12. CHAIRPERSON’S REMARKS
13. OPEN FLOOR FOR COMMENTS OF COMMISSIONERS
14. PUBLIC PORTION
15. ADJOURNMENT

NEXT BOARD MEETING SCHEDULED JUNE 20, 2024

**CUMBERLAND COUNTY UTILITIES AUTHORITY
REGULAR MONTHLY MEETING
May 16, 2024**

The Cumberland County Utilities Authority (CCUA) held its Regular Monthly Meeting on Thursday, May 16, 2024, in the Meeting Room of the Operations Building, 333 Water Street, Bridgeton, New Jersey.

Representing the CCUA:

William Whelan, Chairman
John Daddario, Vice Chairman
Al Jones, Commissioner
Brent Hankins, Commissioner
Mirella Piccioni, Commissioner
Todd Buirch, Commissioner
Kenny Smith-Bey, Commissioner
Angelia Edwards, Commissioner
Dean Dellaquila, Commissioner
Bob Carlson, Executive Director
Carol A. Maier, Board Secretary
Donald Olbrich, Treasurer
Don Corrigan, General Counsel
Stephen Testa, Auditor
Nicole Brown, Suburban Engineering
Minerva Scogna, Administrative Secretary

Chairman Whelan 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 the flag salute.

Moment of silence.

Secretary Maier called the roll. A quorum was present.

ATTENDANCE REPORT

Attendee Name	Title	Status	Arrived
William Whelan	Chairman	Present	
John Daddario	Vice Chairman	Present	
Al Jones	Commissioner	Present	
Brent Hankins	Commissioner	Present	
Mirella Piccioni	Commissioner	Present	
Todd Buirch	Commissioner	Present	
Kenneth Smith-Bey	Commissioner	Present	
Angelia Edwards	Commissioner	Present	
Dean Dellaquila	Commissioner	Present	
Bob Carlson	Executive Director	Present	
Carol A. Maier	Board Secretary	Present	
Don Olbrich	Treasurer	Present	
Tom Corrigan, Esq.	General Counsel	Present	
Stephen Testa	Auditor	Present	
Nicole Brown, Client Development	Suburban Engineering	Present	
Minerva Scogna	Adm. Secretary	Present	

Motion to approve the April 18, 2024, Regular Meeting minutes and the May 2, 2024, Finance Committee minutes offered by Commissioner Dellaquila, seconded by Commissioner Smith-Bey, and approved.

RESOLUTION #3402 – MOTION TO ENTER INTO EXECUTIVE SESSION NOT OPEN TO THE PUBLIC FOR MATTERS RELATING TO LITIGATION, CONTRACTS, ATTORNEY-CLIENT PRIVILEGE AND EMPLOYMENT RELATIONSHIP WITH ACTION PLANNED offered by Commissioner Piccioni, seconded by Commissioner Edwards and approved.

Motion to return to regular meeting offered by Commissioner Hankins, seconded by Commissioner Smith-Bey and approved.

Motion to open the public meeting for public comments on agenda items only, offered by Commissioner Jones, seconded by Commissioner Piccioni and approved.

There were no public comments.

Motion to close public meeting comments on agenda items only, offered by Commissioner Jones, seconded by Commissioner Piccioni and approved.

EXECUTIVE DIRECTOR REPORT

Cumberland County Utilities Authority Authority Board Meeting Thursday May 16, 2024 Report of Executive Director

Mr. Chairman, Commissioners, Staff, and members of the Public: I would like to begin by submitting the Discharge Monitoring Report (DMR) for Apr 2024 for inclusion into the minutes of this report.

Activities for the Month:

- **Budget & Finance**

- A Budget and Finance Committee meeting was held on May 2nd, to review the 2022 Audit.

- **Sludge Disposal**

- The Authority is currently hauling two loads per day to Delcora with C& H and Russell Reid providing assistance when needed. The sludge storage tank level has returned to an acceptable operational level this month.

- **Plant Discharge**

- The plant is operating well and we are meeting our effluent discharge limits, in some cases we are meeting those limits in the single digits.

- **Operations and Maintenance**

- On April 15th operations personnel took the north secondary clarifier offline. The tank has since been cleaned and placed out of service.

EXECUTOR DIRECTOR'S REPORT continued:

- On April 16th operations personnel stopped adding polymer to the secondary clarifier. The system has and placed out of service.
- On April 8th operations personnel took the north primary clarifier out of service and drained and cleaned the tank, maintenance personnel will be repairing a leaking valve while the tank is out of service.
- Operations personnel are in the process of taking the south aeration basin out of service currently. The tank will be cleaned and inspected was it is drained.
- Maintenance personnel cleaned the secondary digester boiler and heat exchanger. The boiler was inspected and placed back in-service.
- **Collection Systems**
 - On May 9th it was discovered that the force main between the Industrial Park Pump Station and the Glass Street Pump Station was leaking. The Authority was able to repair the main with the assistance of the City of Bridgeton and Garrison Enterprise, Inc. The force main has been repaired with no problems being reported at this time.
- **Miscellaneous**
 - On April 22nd, a meeting was held with the NJDEP, County Commissioners and Mayors to discuss the Southern Cumberland County Sewer Extension Project.
 - The Authority has received three (3) proposals in response to the Solids Handling Evaluation RFP. The proposals were reviewed by the evaluation committee and the administration is recommending awarding a contract to AECOM.
 - The Authority has received one bid for the supply and delivery of Sodium Hypochlorite and is recommending awarding a contract to Kuehne Chemical.
 - The Authority received three bids for the Hauling of Sludge and all three bids were substantially over the budgeted cost estimate for these services.

EXECUTIVE DIRECTOR'S REPORT continued:

Therefore, the administration is recommending rejecting all bids and to readvertise for these services.

- The infrastructure rehabilitation project has progressed this month with the project being publicly bid and an onsite Prebid meeting being held on May 16 th.

COMMISSIONER COMMENTS

Commissioner Piccioni asked a question about the Southern Cumberland County Sewer Expansion Project, she wanted to know if we have received a feasibility study. Director Carlson advised that the meeting was just a kickoff.

Director Whelan clarified that at this point there is no project. Discussions are in the infancy stage.

ENGINEER'S REPORT

Cumberland County Utilities Authority
333 Water Street
Bridgeton, New Jersey 08302

Attn.: Robert Carlson, Executive Director

Re.: Cumberland County Utilities Authority, County of Cumberland,
State of New Jersey
Professional Engineering Services
Monthly/Project Status Report – May 2024
File No.: SCE-R13167.Y24

Dear Mr. Carlson:

SUBURBAN CONSULTING ENGINEERS, INC. (SCE) is pleased to provide the following status report for the month of April 2024 for the Cumberland County Utilities Authority (CCUA).

I. TREATMENT PLANT PROJECTS

ENGINEER'S REPORT – continued:

A. TREATMENT PLANT IMPROVEMENTS PROJECT

Project Update:

The primary focus has been to secure funding for this project in State Fiscal Year 2024 (SFY24), which ends on June 30, 2024. SCE has been in correspondence with NJDEP and CCUA's bond counsel to complete the necessary steps to secure the funding. The Authorization to Advertise the project was received by NJDEP on April 26, 2024, based on their finalized review of the plans and specifications.

SCE, in conjunction with Executive Director Bob Carlson, will conduct the pre-bid meeting for this project on Thursday, May 16, 2024, at 11:00 AM. The anticipated bid closing date is May 30, 2024. Assuming no major impacts to this schedule, it is anticipated that a contract award recommendation will be made by SCE shortly after bid closing, keeping the schedule intact to secure SFY24 funding. Construction phase is anticipated to start July 2024.

II. Annual Report

Director Carlson has submitted the request data to complete the Annual Report. SCE will submit the 2023 Annual Report by May 17, 2024.

Should you have any questions or concerns regarding this Monthly Report, please do not hesitate to contact our office. Thank you.

SUBURBAN CONSULTING ENGINEERS, INC.

Nicole E. Brown Client Development Manager

GENERAL COUNSEL

There was no report.

AUDITOR'S REPORT

REPORT GIVEN BY STEPHEN TESTA, AUDITOR AT THE MAY 16, 2024, MEETING OF COMMISSIONERS:

AUDITOR'S REPORT continued:

We attended a finance and budget committee meeting and reviewed the draft of the 2022 Audit Report in detail. Draft copies of the audit report were also sent to the rest of the Commissioners for their review and final copies were provided to the Authority. There were no substantive changes from the draft report to the final report.

I would like to briefly review some of the highlights of the Audit Report.

In the Independent Auditors' Report (pages 1-4), the Authority received an "unmodified" or clean opinion on its financial statements for years ended December 31, 2022, and 2021, 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 2022 and 2021 in accordance with GAAP.

Since this audit is subject to *Government Auditing Standards*, there is also a report on Compliance and on internal control over financial reporting. (Pgs 5 & 6). There were no material weaknesses noted with respect to internal control over financial reporting, however there were significant deficiencies noted which were reported in the schedule of findings and recommendations as items 2022-001 and 2022-002. There were no matters of noncompliance noted.

As a result of having findings and recommendations, the Authority was required to prepare a Corrective Action Plan. That being the case, there is a resolution on the agenda tonight adopting the Corrective Action Plan.

I would now like to present some financial highlights:

As reflected in Exhibit B (page 16), the Authority's operating revenues, which totaled approx. \$8,092,000 decreased approximately \$487,000 or (5.68%) from the prior year. Note that of that amount, billing to the users for Treatment Fees were (\$272,000) or 3.58% less than the prior year, Septage Fees decreased approx. (\$48,000), and Connection Fees decreased (\$210,000), Industrial Pretreatment Program Revenue increased \$44,000 and Service Fees increased approx. \$400. So Operating Revenues experienced a negative variance from 2021 to 2022.

Operating Expenses, which consist of the Cost of Providing Services, Administrative and General Expenses and Depreciation, totaled \$5,404,000. That is a decrease of (\$79,000) or 1.44% from the prior year Operating Expenses of \$5,483,000. Depreciation which is a non-cash expense, increased \$111,000. Cost of Providing Services and Administrative and General Expenses which are the costs the Authority has some

AUDITOR'S REPORT continued:

control over decreased (\$32,000) or 0.81%. It should be noted, the reason for that decrease is because the GAAP basis Pension and OPEB expense was actually a benefit rather than an expense for 2022 and was significantly less than the amount actually paid by the Authority on a Budgetary Basis, which will be discussed later.

The Operating Revenue of \$8,092,000, less the Operating Expenses of \$5,404,000, resulted in Operating Income of \$2,688,000 which is (\$409,000) lower than the prior year, mostly because of the decrease in operating revenues.

In 2022, the Authority's Non-Operating Revenues and Expenses netted to a revenue of \$62,000, compared to an expense amount of (\$24,000) in 2021 primarily because of the increase in interest income of \$82,000.

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. \$2,750,000 in 2022, compared to \$3,072,000 in 2021, which is a decrease of (\$323,000). 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 65 and 66), the Authority reported Revenues over Costs (or net income) in the amount of \$191,000 which is approximately \$436,000 lower than the prior year, primarily due to having recognized (\$419,000) less in revenue in 2022 compared to 2021. Schedule 2 includes a reconciliation at the bottom of page 66 which shows how we get from the Budgetary Net Income to the GAAP Net Income reported on Exhibit B. As previously mentioned, the Budgetary Basis Revenue was (\$419,000) less than the prior year, while the costs funded by revenues were \$16,000 higher than the prior year, so overall a negative swing of (\$436,000). Note that the Authority anticipated having to utilize net position to subsidize the 2022 budget primarily because of the anticipated capital costs, but in reality the Authority didn't need to utilize any of that net position.

I would also note the Authority met the Rate Covenant contained in the Bond Resolution for 2022 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.

AUDITOR'S REPORT continued:

From an administrative standpoint, while the Authority generally does a good job, in 2022, there were 2 findings and recommendations reported in the audit report, that were considered significant deficiencies in internal control, but no material instances of noncompliance, or material weakness in internal control were 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.

You have a Resolution on your agenda today that acknowledges the receipt and certifies the review of the 2022 audit report. This should be acknowledged by the Commissioners signing the group form affidavit. Please be sure to sign it before leaving today.

Once approved, the resolution is 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 have also 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 2022 audit.

We provided staff assistance as needed.

We also calculated the maximum allowable connection fee, in accordance with the Statutes, as of December 31, 2022, and provided the related correspondence to the Authority. The maximum allowable connection fee as of December 31, 2022, is \$4,387. The Authority is currently charging \$3,450.

I would be happy to answer any questions at this time.

COMMITTEE REPORTS

Budget and Finance

Committee Chairperson Piccioni advised that the Finance Committee met on May 2, 2024, to review the 2022 Budget Audit. She advised that the Auditor was very accommodating in answering all questions and discussing the findings and recommendations. She recommended passage of the resolution approving the Audit at tonight's meeting.

Employee Relations

Committee Chairman Daddario advised that an Employee Relations meeting was held on May 15, 2024, by the full Board which resulted in a resolution that will be voted on later in this meeting.

RESOLUTIONS

RESOLUTION **(#3403)** RESOLUTION ACKNOWLEDGING THE RECEIPT AND CERTIFYING THE REVIEW OF THE 2022 AUDIT REPORT, offered by Commissioner Hankins, seconded by Commissioner Smith-Bey and approved.

RESOLUTION **(#3404)** RESOLUTION ADOPTING A CORRECTIVE ACTION PLAN FOR THE AUTHORITY'S 2022 AUDIT, offered by Commissioner Smith-Bey, seconded by Commissioner Jones and approved.

COMMISSIONER COMMENTS

Chairman Whelan commented that when he sees the need for corrective action in an Audit you wonder what's going on. He advised that the CCUA had people resign during the course of that year and we did not have the necessary backup. These issues have all been fixed now. We are in the process of hiring a full-time CFO.

RESOLUTION **(#3405)** RESOLUTION OF THE CUMBERLAND COUNTY UTILITY AUTHORITY DECLARING ITS OFFICIAL INTENT TO REIMBURSE EXPENDITURES FOR PROJECT COSTS FROM THE PROCEEDS OF DEBT OBLIGATIONS IN CONNECTION WITH ITS PARTICIPATION IN THE NEW JERSEY BANK FINANCING PROGRAM, offered by Commissioner Smith-Bey, seconded by Commissioner Edwards and approved.

RESOLUTION (#3406) RESOLUTION AWARDING KUEHNE CHEMICAL CO. INC. FOR THE SUPPLY AND DELIVERY OF SODIUM HYPOCHOLORITE SOLUTION, offered by Commissioner Jones, seconded by Commissioner Dellaquila and approved.

RESOLUTION (#3407) RESOLUTION AWARDING AECOM ASSOCIATES FOR SOLIDS HANDLING EVALUATION offered by Commissioner Daddario, seconded by Commissioner Smith-Bey and approved.

RESOLUTION (#3408) RESOLUTION FOR REJECTION OF BIDS FOR SLUDGE AND SOLID WASTE HAULING SERVICES, offered by Commissioner Jones, seconded by Commissioner Edwards and approved.

RESOLUTION (#3409) RESOLUTION SETTLEMENT AGREEMENT OF DOCKET NUMBER AR:2024-156, offered by Commissioner Piccioni, seconded by Commissioner Edwards and approved.

TREASURER’S REPORT

Revenue Account	165,613.23
Operating Account	1,887,740.96
Petty Cash	500.00
Sensor Escrow	9,719.53
General Account	9,286,490.03
Plant Reconstruction/Replacement	4,719,474.22
User Revenue Reserve	1,032,635.59
Trust Accounts	1,463,519.94
Total Cash Position	18,565,693.50

The Treasurer reported that the bills submitted for payment today for the Operating Account total **\$361,945.46**. The Authority Chairman and Secretary have checked the vouchers. The Operating Account has sufficient funds to cover these checks and approval of **Resolution (#3410)** is recommended. The monthly bank statements are available for review if anyone is interested.

RESOLUTION (#3410) RESOLUTION APPROVING AND AUTHORIZING THE PAYMENT OF CERTAIN OPERATING ACCOUNT VOUCHERS – offered by Commissioner Dellaquila, seconded by Commissioner Edwards, and approved. * Commissioner Piccioni had the following abstentions: **Bulb World, DMC Textiles, RDH Lawn Care**. * Commissioner Hankins had the following abstention: **H.H. Hankins & Brothers**.

CHAIRPERSON'S REMARKS

Commissioner Whelan thanked everyone on the Board for working very hard. He advised that a lot of productive committee meetings have taken place, and he feels confident about the 2022 budget audit report, findings and recommendations.

Motion to open public meeting comments offered by Commissioner Piccioni, seconded by Commissioner Dellaquila and approved.

PUBLIC COMMENTS

Sandy Acevedo had a question about the decrease of flow at the plant.

Motion to close open public comments offered by Commissioner Dellaquila, seconded by Commissioner Edwards and approved.

ADJOURNMENT

There being no further business a Motion to adjourn was offered by Commissioner Jones, seconded by Commissioner Edwards and approved.

The next monthly meeting of the Cumberland County Utilities Authority will be held Thursday, June 20, 2024, in the Public Meeting Room of the Operations Building, 333 Water Street, Bridgeton, New Jersey at 4:30 p.m.

Respectfully submitted,


Carol A. Maier, Secretary

CUMBERLAND COUNTY UTILITIES AUTHORITY

COMMISSIONER	AYE	NAY	ABSTAIN	ABSENT
ALBERT JONES	X			
BRENT HANKINS	X			
MIRELLA PICCIONI	X			
TODD BUIRCH	X			
KENNY SMITH-BEY JR	X			
ANGELIA EDWARDS	X			
DEAN DELLAQUILA	X			
JOHN DADDARIO	X			
WILLIAM WHELAN	X			

RESOLUTION **#3402**

Offered By PICCIONI

Seconded By EDWARDS

Dated May 16, 2024

RESOLUTION TO MOTION TO AUTHORIZE THE CONVENING OF A CLOSED EXECUTIVE SESSION NOT OPEN TO THE PUBLIC FOR MATTERS RELATING TO LITIGATION, CONTRACTS, ATTORNEY-CLIENT PRIVILEGE AND EMPLOYMENT RELATIONSHIP WITH ACTION PLANNED.

WHEREAS, N.J.S.A 10:4-12 et seq allows for a Public Body to go into a Closed Session during a Public Meeting; and

WHEREAS, the Open Public Meetings Act, N.J.S.A. 10:4-12 provides that an Executive Session, not open to the public, may be held for certain specified purposes when authorized by Resolution; and

WHEREAS, the Commissioners of the Cumberland County Utilities Authority has deemed it necessary to go into closed Session to discuss certain matters which are exempted from the public; and

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the Cumberland County Utilities Authority will go into closed session for the following reasons as outlined in N.J.S.A 10:4-12:

- Matters Relating to Litigation, Negotiations and the Attorney-Client Privilege

BE IT FURTHER RESOLVED that the discussion conducted in this session may be disclosed to the public upon the determination of this Board that the public interest will no longer be served by such confidentiality.

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, May 16, 2024, at 4:30 p.m. prevailing time.

DATED: **MAY 16, 2024**

CUMBERLAND COUNTY UTILITIES AUTHORITY

COMMISSIONER	AYE	NAY	ABSTAIN	ABSENT
ALBERT JONES	X			
BRENT HANKINS	X			
MIRELLA PICCIONI	X			
TODD BUIRCH	X			
KENNY SMITH-BEY JR	X			
ANGELIA EDWARDS	X			
DEAN DELLAQUILA	X			
JOHN DADDARIO	X			
WILLIAM WHELAN	X			

RESOLUTION **#3403**

Offered By Hankins

Seconded By Smith-Bey

Dated MAY 16, 2024

RESOLUTION ACKNOWLEDGING THE RECEIPT AND CERTIFYING THE REVIEW OF THE 2022 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, 2022, 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, 2022, 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 regular meeting of the Cumberland County Utilities Authority, held at the Authority's Administration Building, 333 Water Street, Bridgeton, New Jersey, on Thursday afternoon, May 16, 2024, at 4:30 p.m. prevailing time.

DATED: **MAY 16, 2024**

IT IS HEREBY CERTIFIED THAT THIS IS A TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING HELD ON MAY 16, 2024.

Carol Maier
Carol Maier, Secretary

5/16/24
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, 2022, and specifically the sections of the audit report entitled "**Findings**" and "**Recommendations**".

(Print)

(Signature)

William Whelan

John Daddario

Albert Jones

Brent Hankins

Mirella Piccioni

Todd Buirch

Angelia L. Edwards

Kenny Smith-Bey

Dean Dellaquila

William Whelan
John Daddario
Albert Jones
Brent Hankins
Mirella Piccioni
Todd Buirch
Angelia Edwards
Kenny Smith-Bey
Dean Dellaquila

Sworn to and subscribed before me

this 16th day of May 2024

Notary Public of New Jersey

Minerva Scogna

MINERVA SCOGNA
Notary Public of New Jersey
My Commission Expires March 24, 2026

CUMBERLAND COUNTY UTILITIES AUTHORITY

COMMISSIONER	AYE	NAY	ABSTAIN	ABSENT
ALBERT JONES	X			
BRENT HANKINS	X			
MIRELLA PICCIONI	X			
TODD BUIRCH	X			
KENNY SMITH-BEY JR	X			
ANGELIA EDWARDS	X			
DEAN DELLAQUILA	X			
JOHN DADDARIO	X			
WILLIAM WHELAN	X			

RESOLUTION #3404

Offered By SMITH-BEY

Seconded By JONES

Dated MAY 16, 2024

RESOLUTION ADOPTING A CORRECTIVE ACTION PLAN FOR THE AUTHORITY'S 2022 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 in December 31, 2022; 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 correction action plan which is attached and made a part hereof;

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

The attached corrective action plan for the Authority's audit for the year ended December 31, 2022, 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, May 16, 2024, at 4:30 p.m. prevailing time.

DATED: MAY 16, 2024

Cumberland County Utilities Authority

CUMBERLAND COUNTY UTILITIES AUTHORITY CORRECTIVE ACTION PLAN – 2022 AUDIT FINDINGS AND RECOMMENDATIONS

Finding No. 2022-001

- A. **Description:** Management is responsible for establishing and maintaining internal controls in the financial reporting system. In addition, for each accounting function, the transaction authorization, custody of the assets, and the recording of the transactions should not be performed by the same individual.
- B. **Analysis:** As a result of a transition of certain positions in the finance department, the Authority's internal control system lacked certain controls with respect to separation of duties in the payroll function. As a result, an employee was responsible for more than one payroll function, including transmitting payroll information for processing, as well as reviewing and posting payroll transactions. This enabled the employee to pay themselves for unauthorized or unapproved overtime, which the Authority contends the employee was not entitled to receive, as the employee was a salaried employee.
- C. **Corrective Action:** The Authority discovered its lack of separation of duties in July of 2022 and immediately took steps to ensure each payroll is reviewed and approved by the Executive Director, who is not involved in the preparation of payroll. The persons responsible for implementing the corrective action will be the Executive Director and Business Administrator.
- D. **Implementation Date:** The Authority implemented the additional controls in 2022, but officially adopted the corrective action on May 16, 2024.

Finding No. 2022-002

- A. **Description:** According to N.J.A.C 5:30-5.7, the general ledger, which all local units shall have and maintain, together with the books of original entry and supporting subsidiary ledgers, shall constitute the complete accounting system. Proper internal control practices dictate that a complete and accurate general ledger (and related subsidiary ledgers) be maintained to ensure adequate control over the preparation of financial statements and the related footnote disclosures.
- B. **Analysis:** As a result of the transition of certain positions in the finance department, the Authority's general ledger and subsidiary ledgers contained a number of erroneous postings that were not timely rectified. Adjustments were required to be made by the newly hired finance persons and the auditors to correct the various mispostings to the general ledger and the subsidiary ledgers for the year ended December 31, 2022. As a result, a complete and accurate general ledger and subsidiary ledgers were not properly maintained in a timely manner.
- C. **Corrective Action:** The Authority will continue to implement controls to ensure the posting of financial transactions result in complete and accurate general ledger postings and the accurate preparation of financial statements and related footnote disclosures. The Authority is in the process of hiring a full-time person to implement those controls. The persons responsible for implementing the corrective action will be the Executive Director and Business Administrator.
- D. **Implementation Date:** May 16, 2024.

CUMBERLAND COUNTY UTILITIES AUTHORITY

COMMISSIONER	AYE	NAY	ABSTAIN	ABSENT
ALBERT JONES	X			
BRENT HANKINS	X			
MIRELLA PICCIONI	X			
TODD BUIRCH	X			
KENNY SMITH-BEY JR	X			
ANGELIA EDWARDS	X			
DEAN DELLAQUILA	X			
JOHN DADDARIO	X			
WILLIAM WHELAN	X			

RESOLUTION #3405

Offered By SMITH-BEY

Seconded By EDWARDS

Dated MAY 16, 2024

**RESOLUTION OF THE CUMBERLAND COUNTY UTILITIES AUTHORITY
DECLARING ITS OFFICIAL INTENT TO REIMBURSE EXPENDITURES FOR
PROJECT COSTS FROM THE PROCEEDS OF DEBT OBLIGATIONS IN
CONNECTION WITH ITS PARTICIPATION IN THE NEW JERSEY BANK
FINANCING PROGRAM**

WHEREAS, the Cumberland County Utilities Authority (the “Borrower”) intends to acquire, construct, renovate and/or install the environmental infrastructure project more fully described in Exhibit A attached hereto (the “Project”);

WHEREAS, the Borrower intends to finance the Project with debt obligations of the Borrower (the “Project Debt Obligations”) but may pay for certain costs of the Project (the “Project Costs”) prior to the issuance of the Project Debt Obligations with funds of the Borrower that are not borrowed funds;

WHEREAS, the Borrower reasonably anticipates that obligations, the interest on which is excluded from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), will be issued by the New Jersey Infrastructure Bank (the “Issuer”) to finance the Project on a long-term basis by making a loan to the Borrower with the proceeds of the Issuer’s obligations (the “Project Bonds”); and

WHEREAS, the Borrower desires to preserve its right to treat an allocation of proceeds of the Project Debt Obligations to the reimbursement of Project Costs paid prior to the issuance of the Project Debt Obligations as an expenditure for such Project Costs to be reimbursed for purposes of Sections 103 and 141 through 150, inclusive, of the Code.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Borrower as follows:

Section 1. The Borrower reasonably expects to reimburse its expenditure of Project Costs paid prior to the issuance of the Project Debt Obligations with proceeds of its Project Debt Obligations.

Section 2. This resolution is intended to be and hereby is a declaration of the Borrower’s official intent to reimburse the expenditure of Project Costs paid prior to the issuance of the Project Debt Obligations with the proceeds of a borrowing to be incurred by the Borrower, in accordance with Treasury Regulations §150-2.

Section 3. The maximum principal amount of the Project Debt Obligations expected to be issued to finance the Project is \$13,200,000.

Section 4. The Project Costs to be reimbursed with the proceeds of the Project Debt Obligations will be “capital expenditures” in accordance with the meaning of Section 150 of the Code.

Section 5. No reimbursement allocation will employ an “abusive arbitrage device” under Treasury Regulations §1.148-10 to avoid the arbitrage restrictions or to avoid the restrictions under Sections 142 through 147, inclusive, of the Code. The proceeds of the

Cumberland County Utilities Authority

Project Bonds used to reimburse the Borrower for Project Costs, or funds corresponding to such amounts, will not be used in a manner that results in the creation of “replacement proceeds”, including “sinking funds”, “pledged funds” or funds subject to a “negative pledge” (as such terms are defined in Treasury Regulations §1.148-1), of the Project Debt Obligations or another issue of debt obligations of the Borrower, other than amounts deposited into a “bona fide debt service fund” (as defined in Treasury Regulations §1.148-1).

Section 6. All reimbursement allocations will occur not later than 18 months after the later of (i) the date the expenditure from a source other than the Project Debt Obligations is paid, or (ii) the date the Project is “placed in service” (within the meaning of Treasury Regulations §1.150-2) or abandoned, but in no event more than 3 years after the expenditure is paid.

Section 7. This resolution shall take effect immediately.

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, May 16, 2024, at 4:30 p.m. prevailing time.

DATED: **MAY 16, 2024**

CUMBERLAND COUNTY UTILITIES AUTHORITY

COMMISSIONER	AYE	NAY	ABSTAIN	ABSENT
ALBERT JONES	X			
BRENT HANKINS	X			
MIRELLA PICCIONI	X			
TODD BUIRCH	X			
KENNY SMITH-BEY JR	X			
ANGELIA EDWARDS	X			
DEAN DELLAQUILA	X			
JOHN DADDARIO	X			
WILLIAM WHELAN	X			

RESOLUTION #3406

Offered By JONES

Seconded By DELLAQUILA

Dated MAY 16, 2024

RESOLUTION AWARDING A CONTRACT TO KUEHNE CHEMICAL COMPANY FOR THE SUPPLY AND DELIVERY OF SODIUM HYPOCHLORITE SOLUTION

WHEREAS, the Cumberland County Utilities Authority has heretofore advertised for bids the Supply and Delivery of Sodium Hypochlorite Solution in accordance with the Specifications adopted on March 9, 2024, on file at its Wastewater Treatment Plant; and

WHEREAS, on May 9, 2024, one bid was received, the bids were as follows:

1. Kuehne Chemical Co., Inc., South Kearny, NJ \$124,500.00

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

WHEREAS, the Authority's Executive Director recommends that a Contract be awarded to Kuehne Chemical Co., 86 North Hackensack Ave, Kearny, NJ 07032, being the lowest responsible bidder in the amount of \$99,600.00.

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

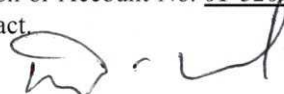
1. That there be a contract awarded to Kuehne Chemical Co., 86 North Hackensack Ave, Kearny, NJ 07032, in the total bid of \$124,500.00
2. That the proper officers of this Authority be and they are hereby authorized and directed to execute the Contract hereby awarded.

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, May 16, 2024, at 4:30 p.m. prevailing time.

DATED: MAY 16, 2024

CERTIFICATION OF AVAILABILITY OF FUNDS FOR CONTRACT

I, Dominic Buirch, Business Administrator and Certifying Finance Officer of the Cumberland County Utilities Authority, do hereby certify pursuant to the rules of the Local Finance Board that there are available adequate funds for the proposed agreement between the Cumberland County Utilities Authority and Kuehne Chemical Co., Inc. for Sodium Hypochlorite Solution. Money necessary to fund said contract has been projected in the amount of \$124,500.00 per 1-year contract. Money necessary to fund said contract has been provided for and shall be charged to the following Line-Item Appropriation or Account No. 01-520-7105. These funds will not be certified as being for more than one (1) pending contract.



Dominic Buirch, Business Administrator
Certifying Finance Officer

CUMBERLAND COUNTY UTILITIES AUTHORITY

COMMISSIONER	AYE	NAY	ABSTAIN	ABSENT
ALBERT JONES	X			
BRENT HANKINS	X			
MIRELLA PICCIONI	X			
TODD BUIRCH	X			
KENNY SMITH-BEY JR	X			
ANGELIA EDWARDS	X			
DEAN DELLAQUILA	X			
JOHN DADDARIO	X			
WILLIAM WHELAN	X			

RESOLUTION #3407
 Offered By DADDARIO
 Seconded By SMITH-BEY
 Dated MAY 16, 2024

RESOLUTION AWARDING A CONTRACT TO AECOM FOR THE SOLIDS HANDLING EVALUATION

WHEREAS, the Cumberland County Utilities Authority has heretofore advertised for bids the Solids Handling Evaluation in accordance with the Specifications adopted on March 9, 2024, on file at its Wastewater Treatment Plant; and

WHEREAS, on May 9, 2024, one bid was received, the bids were as follows:

1. AECOM Assoc. 1635 Market Street, Philadelphia, PA 19103 \$78,500.00
2. CME 3141 Bordentown Avenue, Parlin, NJ 08859; \$109,674.00
3. Mott Macdonald 325 Chestnut Street, Suite 300, Philadelphia PA 19106 \$92,750.00

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

WHEREAS, the Authority's Executive Director recommends that a Contract be awarded to AECOM Assoc, 1635 Market Street, Philadelphia, PA 19103, being the lowest responsible bidder in the amount of \$78,500.00.

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

1. That there be a contract awarded to AECOM Assoc., 1635 Market Street, Philadelphia, PA 19103, being the lowest responsible bidder in the total bid of \$78,500.00.
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, May 16, 2024, at 4:30 p.m. prevailing time.

DATED: MAY 16, 2024

CERTIFICATION OF AVAILABILITY OF FUNDS FOR CONTRACT

I, Dominic Buirch, Business Administrator and Certifying Finance Officer of the Cumberland County Utilities Authority, do hereby certify pursuant to the rules of the Local Finance Board that there are available adequate funds for the proposed agreement between the Cumberland County Utilities Authority and AECOM ASSOC. for Solids Handling Evaluation. Money necessary to fund said contract has been projected in the amount of \$78,5000.00 per 1-year contract. Money necessary to fund said contract has been provided for and shall be charged to the following Line-Item Appropriation or Account No. 01-510-6102. These funds will not be certified as being for more than one (1) pending contract.



 Dominic Buirch, Business Administrator
 Certifying Finance Officer

CUMBERLAND COUNTY UTILITIES AUTHORITY

COMMISSIONER	AYE	NAY	ABSTAIN	ABSENT
ALBERT JONES	X			
BRENT HANKINS	X			
MIRELLA PICCIONI	X			
TODD BUIRCH	X			
KENNY SMITH-BEY JR	X			
ANGELIA EDWARDS	X			
DEAN DELLAQUILA	X			
JOHN DADDARIO	X			
WILLIAM WHELAN	X			

RESOLUTION #3408

Offered By JONES

Seconded By EDWARDS

Dated MAY 16, 2024

RESOLUTION REJECTING BIDS FOR SLUDGE AND SOLID WASTE HAULING SERVICES

WHEREAS, the Cumberland County Utilities Authority approved to advertise to accept bids in accordance with the specifications for Sludge and Solid Waste Hauling Services on file at its Wastewater Treatment Facility; and

WHEREAS, on May 9, 2024, the submittals were received and duly opened in accordance with the specifications approved by this Authority, pursuant to Resolution # 3398 adopted on April 18, 2024; and

WHEREAS, (3) three responsive bid were submitted to the Authority: Synagro, Wind River Environmental and Russel Reid Waste Hauling & Disposal Service Co.; and

WHEREAS, on May 14, 2024, it was determined that all responsive bidders substantially exceeds the Cumberland County Utilities Authority's appropriation for the Sludge and Solid Waste Hauling Services.

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

- That the submissions received for the Sludge and Solid Waste Hauling Services, be and are hereby rejected.

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, May 16, 2024, at 4:30 p.m. prevailing time.

DATED: MAY 16, 2024