BERGEN COUNTY UTILITIES AUTHORITY
WORK SESSION

October 24, 2013

Monthly Work Session Meeting Minutes

The meeting was called to order by Chairman Vaccaro at 6:07 PM.

The Proof of Work Session Notice calling the October 24, 2013 Work Session was read into the record by Richard Wierer, Acting Authority Secretary.

BEFORE: The Honorable Commissioners of the Authority
Andrew "Chuck" Vaccaro, Chairman
Ronald Phillips, Vice Chairman
Catherine T. Bentz, Commissioner
Louis J. DeLisio, Commissioner
Paul A. Juliano, Commissioner
David J. Lorenzo, Commissioner
George P. Zilocchi, Commissioner

The meeting was opened to the public. No members of the public wished to speak. The meeting was closed to the public.

Review of October 24, 2013 Regular Meeting Agenda
Chairman Vaccaro reviewed the October 2013 Regular Meeting Agenda and solicited comments or questions from the Commissioners. Vice Chairman Phillips noted that it has been almost one year since Super Storm Sandy impacted the BCUA. Vice Chairman Phillips introduced Robert Schneider, P.E. of Malcolm Pirnie/ Arcadis to provide the Commissioners an update regarding the status of FEMA reimbursements. Mr. Schneider conducted a presentation summarizing the status of the FEMA reimbursements. Commissioner Zilocchi requested an update regarding the use of funds already received from FEMA. CFO Wallace Nowosielecki advised the Commissioners that FEMA funds are deposited in the general operating account. Commissioner Bentz asked for a summary of the time frame for reimbursement of all remaining FEMA funds. Mr. Schneider advised that Category A reimbursement will be quick and that the FEMA BCUA claims will remain open indefinitely. Chief Engineer Eric Andersen advised the Commissioners that the BCUA has procured the services of Neglia Engineering to prepare the bid specifications for several FEMA BCUA projects. Once the projects are completed FEMA will reimburse the BCUA.

Finance and Legal Committee:
Commissioner DeLisio advised the Commissioners that the Finance and Legal Committee has met on several occasions to review the proposed BCUA 2014 budget and the Committee recommends approval of the budget. Chief Financial Officer

Wallace Nowosielecki distributed a summary presentation of the budget and proceeded to review the presentation with the Commissioners. A copy of the 2014 WPC and SWM proposed budgets was previously provided to all Commissioners, and the capital budget was also distributed to the Commissioners. Executive Director Laux advised the Commissioners that Resolutions 13-1-041 and 13-1-042 have been revised to reflect that the Commissioners are approving the introduction of the budget as requested bu Commissioner Zilocchi.

Construction and Engineering Committee:
Vice Chairman Phillips advised the Commissioners that a RDI/I Reduction Project meeting was held on October 24, 2013 and distributed the Status Report of RDI/I Reduction Project by Selected Municipality. Vice Chairman Phillips also stated that he has attended several meetings regarding the CoGen Expansion Project and the Edgewater Outflow Project.

Security and Safety Committee:
Commissioner Phillips and Commissioner Bentz attended the October 24, 2013 safety committee meeting. Commissioner Phillips noted that it is the goal of the safety committee to invite PEOSHA to conduct an audit of the BCUA in an effort to become a PEOSHA partner.

Administration Reports:
Executive Director Laux advised the Commissioners that considerable time and effort was invested in developing the 2014 BCUA budget and thanked key staff and consultants for their effort and help. Director Laux noted that a large portion of the budget is fixed costs. Employee benefit costs were reviewed with BCUA's insurance consultants during the year and significant efforts were made to reduce these costs. Director Laux advised the Commissioners that BCUA's wellness programs and safety programs help to reduce medical benefit costs. Commissioner Juliano inquired as to the percentage of fixed costs associated with the personnel component of the 2014 budget. Director Laux advised the Commissioners that contractual obligations associated with the collective bargaining agreements account for a majority of the personnel fixed costs. Director Laux noted that several employees will be retiring in the near future and prior to the end of the current collective bargaining agreement. Discussion ensued regarding management efforts to hire new employees to ensure that the BCUA has trained employees to fill positions vacated by experienced retiring employees. Director Laux requested that the Commissioners approve the purchase of a pizza lunch on October 29, 2013 for BCUA employees in recognition of their considerable efforts during and post-Super Storm Sandy. The Commissioners unanimously approved Director Laux's request.

Director of Solid Waste and Information Technology Systems Wierer monthly report was accepted as submitted.

Director of WPC/Chief Engineer Andersen advised the Commissioners that the Borough of Saddle Brook has reached out to the BCUA to inquire if the BCUA would be

interested in accepting the Borough's wastewater and becoming a customer of the BCUA. The Borough of Saddle Brook currently utilizes PVSC.

CFO/Treasurer Nowosielecki monthly report was accepted as submitted.

Security Administrator D'Arminio reported that the BCUA will be preparing an active shooter exercise for the BCUA. The security assessment project remains in progress with the United States and New Jersey Department of Homeland Security.

Motion to adjourn the Work Session meeting was made, seconded and unanimously carried.

Richard Wierer
Acting Authority Secretary