

**BERGEN COUNTY UTILITIES AUTHORITY
WORK SESSION**

July 23, 2015

Monthly Work Session Meeting Minutes

The meeting was called to order by Chairman Phillips at 6:02 PM.

The Proof of Work Session Notice calling the July 23, 2015 Work Session was read into the record by Paul Kaufman, General Counsel.

BEFORE: The Honorable Commissioners of the Authority
Ronald Phillips, Chairman
Louis J. DeLisio, Vice Chairman
James L. Cassella, Commissioner
Paul A. Juliano, Commissioner
Richard D. Schooler, Commissioner
George P. Zilocchi, Commissioner

Motion to appoint Richard Wierer, Deputy Executive Director as Acting Secretary was made and unanimously carried.

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

Review of July 23, 2015 Regular Meeting Agenda

Chairman Phillips reviewed the July 23, 2015 Regular Meeting Agenda and solicited comments or questions from the Commissioners.

Chairman Phillips advised the Commissioners that the 2014 Safety Incentive Program Award will be distributed with the next employee pay. A memo will be distributed to all employees advising of the Award. Chairman Phillips reminded the Commissioner that the summer employee appreciation lunch will be on July 29th.

Finance and Legal Committee:

Commissioner Cassella advised the Commissioners that Resolution 15-1-032 was to accept the 2014 Audit Report. Executive Director Laux noted that the corrective action report has been distributed to all Commissioners and the BCUA's Auditor was in attendance to answer any questions from the Commissioners.

Construction and Engineering Committee:

Chairman Phillips noted the CoGen Expansion project continues to move forward and the specifications to repair any damage resulting from the glycol spill have been prepared. The Construction and Engineering Committee met with the BCUA consultants regarding the Force Main Assessment Project. The results of the Project will be presented to the Board at a future meeting. The Edgewater Pump Station/Force

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Main project continues to move forward. Commissioner Zilocchi noted that Resolution 15-2-048 is for an increase in the Cogeneration Expansion Project. Chairman Phillips explained that the increase was anticipated and was well within the total budgeted contract amount. Commissioner Zilocchi agreed that this was a necessary expenditure.

Personnel and Administration Committee:

Vice Chairman DeLisio advised the Commissioners that Resolution 15-3-005 and 15-3-006 establishes new titles for existing positions.

Security and Safety Committee:

Chairman Phillips reported that he attended the July 2015 safety meeting. Chairman Phillips noted that the new Plant Manager has already implemented new safety initiatives.

Administration Reports:

Executive Director Laux advised the Commissioners that he will be meeting with representative from the NJDEP regarding NJEIT Loan opportunities. In addition, the NJDEP has requested that a meeting be scheduled to discuss BCUA's potential role in the CSO requirements for Hackensack, Ridgefield Park and Fort Lee. Director Laux noted that the employee appreciation summer lunch will be July 29th and a memo will be distributed to all employees advising of the Safety Incentive Program Award. Director Laux distributed a thank you note from Chairman Vaccaro's family and requested the Commissioners consider a dedication to Chairman Vaccaro. The Commissioner unanimously agreed that a dedication would be in order and will discuss this further at the September meeting. Commissioner Zilocchi noted that two of the three 2014 Audit comments were repeat comments from the two previous years Audit's and inquired as to why the comments were still in the Audit. Executive Director Laux advised the Commissioners that the comment regarding the debt service funding requirements has been addressed and procedures have been modified. The comment regarding the third party health administrator internal control audit has been addressed and the BCUA has been advised by its third party administrator that the internal control audit will be conducted in 2015. Auditor Ralph Piccone of LVH advised the Commissioners that they performed a limited internal control audit of the third party administrator during 2014 and there were not deficiencies.

Director of Solid Waste and Information Technology Systems Wierer's monthly report was accepted as submitted. Director Wierer advised the Commissioners that numerous meetings have been conducted during the monthly with BCUA's consultants regarding the CMMS/ERP Project. The BCUA has received several large connection fee payments during June and July. Director Wierer noted that the June 9th Green Up Vendor Show was a success with over 170 participants. County Executive Tedesco and Freeholder Zur were also in attendance. Responding to Chairman Phillips inquiry, Director Wierer noted that 81 schools will be receiving grants for the 2015 Environmental Challenge Grant Program.

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Acting Treasurer McCarter's monthly report was accepted as submitted. Acting Treasurer McCarter briefly discussed the 2014 Audit results and advised the Commissioners that the BCUA received a \$831,000 payment from PSE&G in July. Acting Treasurer McCarter advised the Commissioners that the 2016 budget process has already commenced.

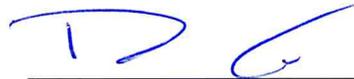
Security Administrator D'Arminio's monthly report was accepted as submitted. Administrator D'Arminio advised the Commissioners that the bid for Security Services will be rebid. Executive Director Laux advised the Commissioners that the BCUA is reviewing the current bid specifications and other possibilities such as in-house security in order to reduce the costs of security without compromising the integrity of the BCUA security systems.

Director of WPC/Chief Engineer Andersen's monthly report was accepted as submitted. Director Andersen noted that the new Plant Manager is being trained.

Commissioner Schooler asked how many interns currently are employed by the BCUA. Personnel Administrator Logan advised that there are currently six interns.

Executive Director Laux requested approval to conduct the annual employee picnic during September. The Commissioner unanimously approved the employee picnic.

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



Richard Wierer
Acting Authority Secretary