

**SOUTH MONMOUTH REGIONAL SEWERAGE AUTHORITY
MINUTES - CAUCUS MEETING – DECEMBER 11, 2014**

CALL TO ORDER:

The Caucus Meeting of the South Monmouth Regional Sewerage Authority was called to order at 7:00 p.m. on Thursday, December 11, 2014.

Moment of Silence and Salute:

Led by Chairman Farrell

Announcement:

This meeting was called in accordance with the provisions of the Open Public Meetings Act in that an announcement of the same was mailed to the Asbury Park Press, the Coast Star; and to the Clerks of our member municipalities on February 20, 2014. The minutes of this meeting will be available after Board approval at a subsequent meeting.

Roll Call:

Present:

Commissioners Burne, Cory, Farrell, Lynch, Mattia, McLean, Nicol and Thompson.

Messrs. Bonello, Bujak, and Ruppel.

ATTORNEY’S REPORT:

Mr. Bonello worked with Mr. Ruppel on the maintenance and procurement contracts for the Co-Generation System.

After some discussion, it was decided that rather than separate construction and procurement bids for the Belmar Pump Station as done with the Pitney Avenue Pump Station, it would be more efficient and cost effective to handle the project as one contract.

The Authority has been brought into the Clammer’s Class Action Suit along with several other ocean dischargers. The Clammers are seeking compensation for the claimed damages to their clam beds as a result of Super Storm Sandy. This was also discussed with Mr. Ruppel and both are in agreement to forward the suit to the Joint Insurance Fund (JIF), the Authority’s insurance provider and to meet with the Authority’s Risk Manager, Mr. Charles Casagrande to further discuss.

EXECUTIVE DIRECTOR’S REPORT:

SYSTEM STATUS

Lake Como Pumping Station

Mr. Ruppel reported that construction at the Lake Como Pumping Station continues to progress. The installation of block is almost complete and the project remains on schedule.

Pitney Avenue Pumping Station

Mr. Ruppel reported that the shop drawings for the Pitney Avenue Pumping Station project are 85 percent complete. A construction meeting has been scheduled for next week where Mr. Ruppel will reiterate the importance of keeping the project on schedule.

Because the Authority contracted the Pitney Avenue Pump Station as two separate contracts; a procurement contract to fabricate and purchase the mobile enclosure; and the construction contract to construct the perimeter and connect the enclosure staff has discovered some latent issues with separating the contracts. He also believes the reason there were so few bidders was due to the separation of the project into the two separate contracts. The Authority received one bid for the mobile enclosure which was expected, however, received only two bids for the construction contract. More importantly the coordination of the contract issues have fallen on the Authority and its staff, which has created a lot of internal effort to coordinate these issues, and places the inherent responsibility on the Authority which it should not have, and would not have if there was a single general contractor. As a result, the Authority will not receive the cost benefits it believed it would. In addition, the Authority could be subjecting itself to potential liability by making a wrong decision, and being held accountable for that decision.

Belmar Pumping Station

The mobile enclosure specifications have been completed for the Belmar Pumping Station. Considering the issues encountered with separate contracts for the Pitney Avenue Pumping Station, bid specifications for Belmar are under discussion. Staff is also reviewing the project with T&M Associates, the Construction Design Engineer. The necessary TWAs have been submitted to the State for approval. Once approval is received, the complete project design will be forwarded to the NJEIT. As a result of the problems encountered with Pitney, staff has been working with T&M Associates in merging the two separate specifications into one contract. The Authority has since received a proposal from T&M Associates and it is his recommendation to award the complete design contract to T&M Associates.

Commissioner Mattia asked if there were differences between the Sea Girt, Belmar and Pitney Avenue Pump Station's trailers. Mr. Ruppel replied that each trailer is different with Belmar's trailer significantly larger than the other two requiring larger motor drives and three pumps versus two.

Co-Generation System:

Mr. Ruppel reported as mentioned by Mr. Bonello in his Attorney's Report, it would be beneficial to the Authority to rescind Resolution #46-14 authorizing the Authority to prepare two separate bid specifications for the Co-Generation System. The first was to facilitate the maintenance and improvement activities including the re-building of 13 cylinder heads, and the second was to procure one Turbocharger, new valves, seats, springs retainers, valve guides and hardware. It was anticipated that said activities either singularly or combined would exceed the public thresholds as provided for in the Public Contracts Laws governing the Authority. After review, the value of the two bids received for the services and parts will exceed the cumulative \$17,500.00 annual Pay to Play threshold for one contract however, will not exceed the \$36,000.00 Public Bidding Threshold thereby eliminating the need to bid for these services separately.

Two resolutions have been placed on the Regular Meeting Agenda, the first is to award a contract to Tech 3 Solutions Inc. of South Miami, Florida for the purchase of Co-Generation engine components in the amount of \$15,982.25; and a separate award to Engines Inc. of Northampton, Pennsylvania for the rebuilding of engine components in the amount of \$21,433.53 for Board of Commissioner review and approval.

ADMINISTRATION

Mr. Ruppel stated there was no significant differences between the 2014 October Amended and the December Final 2014 Income and Appropriation Budgets. However, he did highlight for the Board of Commissioners the Authority's realization of additional unanticipated revenue of \$6,100.00 connection fees received in November. In addition, the Authority originally budgeted \$179,500.00 for asset management and amended it in October as the Authority accomplished approximately \$180,000.00 of asset management work this year outside what was budgeted which was funded by revenue generated within the reserves that were previously established. Therefore, the reserves that were depleted with expenses associated with Super Storm Sandy are replacing our reserves allowing the Authority to complete projects already in process.

A resolution has been placed on the Regular Meeting Agenda for approval to adopt the Final 2014 Income and Appropriation Budgets for the Board of Commissioners consideration and approval.

New Jersey Governor's Advisory Council:

Mr. Ruppel reminded the Board that he and Ryan Krause will be presenting at the Clean Water Council Hearing as part of the Governor's Advisory Council regarding water issues in the State of New Jersey. This year's goals of the council is to gain control through legislation over combined sewerage overflows. The combined sewerage overflows includes sewer lines that not only take wastewater but storm water as well.

2014 Governor's Environment Excellence Award

Mr. Ruppel reported that he, Chairman Farrell and Commissioners Cory and Mattia were in Trenton to receive the 2014 Governor's Environmental Excellence Award in the Innovative Technology Category, awarded specifically for the Sea Girt, Pitney Avenue and Belmar Pumping Station's use of mobile enclosures. He stated this award was presented to a nominee that demonstrates the use or deployment of a new or alternative method, procedure, process, system or facility, which results in greater environmental protection than other technologies in current practice or comparable results at lower costs in terms of energy, natural resources or environmental impacts.

Commissioner Nicol acknowledged that most of the recognition the Authority has received in the past several years is due to Mr. Ruppel and his forward-looking thinking.

BUSINESS:

- Finalize SMRSA's 2014 Income and Appropriate Budgets.
- Rescind Resolution #46-14 Effective Immediately.
- Award a Contract to Engines Inc. to Rebuild Engine Components as it Relates to Improvements to the Authority's Co-Generation System.

- Award a Contract to Tech 3 Solutions Inc. to Supply Certain Engine Components as it Relates to Improvements to the Authority's Co-Generation System.

PUBLIC PORTION:

It was moved by Commissioner Burne and seconded by Commissioner Mattia to open the public portion of the meeting. On voice vote, all Commissioners voted aye. Commissioner Burne made the motion to close the public portion and re-open the Caucus Meeting. Commissioner Mattia seconded the motion. On voice vote, all Commissioners voted aye.

ADJORNMENT:

Commissioner Mattia made the motion to adjourn the Caucus Meeting. Commissioner Cory seconded the motion. On voice vote, all Commissioners voted aye.