

**SOUTH MONMOUTH REGIONAL SEWERAGE AUTHORITY  
MINUTES - CAUCUS MEETING – APRIL 9, 2015**

**CALL TO ORDER:**

The Caucus Meeting of the South Monmouth Regional Sewerage Authority was called to order at 7:00 p.m. on Thursday, April 9, 2015.

**Moment of Silence and Salute:**

Led by Chairman Thompson

**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 13, 2015. 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 discussed with Mr. Ruppel the items to be covered within his Executive Director Report.

**EXECUTIVE DIRECTOR'S REPORT:**

**SYSTEM STATUS**

**Lake Como Pumping Station**

Mr. Ruppel reported the new Lake Como Pumping Station remains operational and the demolition of the old pump station has begun.

**Pitney Avenue Pumping Station**

Mr. Ruppel reported that an Engineering Committee Meeting was held to re-evaluate the existing design of the Pitney Avenue Pump Station in order to conform to the new federal presidential directive regarding building standards. New buildings within a flood zone must now meet the revised elevation requirements of two feet above base flood level. The new requirements have resulted in a change to the original design which will require a change order with the contractor.

### **Belmar Pumping Station:**

Mr. Ruppel reported that the Authority has received the CAFRA permit for the Belmar Pumping Station. During the course of design services, T&M Associates has identified an open NJDEP permit action item corresponding to the formerly existing underground storage tank. It is the position of the Authority that such a modification is required in order to close out the required NJDEP permitting action items. T&M Associates has submitted a detailed explanation of additional services and costs and a resolution has been placed on the Regular Meeting Agenda for Board consideration and approval for Change Order No. 2 to the Belmar Pumping Station Contract with T&M Associates to include the additional services required to close out the NJDEP permitting action items.

### **Gas Production Pilot Program:**

Mr. Ruppel reported that the Authority has started the Gas Production Pilot Program. Since it is a 90 day pilot, the Authority has not evaluated or determined whether there has been an increase in gas production.

### **New Jersey Pollution and Discharge System Permit:**

The Authority has submitted its comments on the NJDEP pre-draft report regarding its new NJPDES Permit and are awaiting their response. As mentioned last month, included in the draft is the potential requirement for the Authority to test for enzymes that are currently not being performed.

### **Outfall Project:**

Mr. Ruppel reported has received a proposal from CDM Smith Inc. regarding the Outfall Project, however, has not had an opportunity to review.

### **Pitney Avenue FEMA Grant:**

Mr. Ruppel reported while staff has been working with FEMA to resolve the discrepancy regarding the “50% rule” for the Pitney Avenue Pumping Station, he was informed that the 50% rule is no longer being applied. Staff has re-evaluated the entire PW and developed a new approach which may result in the project being funded for \$1.1 million dollars. Ironically the re-evaluation of the PW allowed the Authority to reclassify the project to a “large project with improvements” which can fund up to \$1.4 million dollars for this type of project. Staff has scheduled a meeting with FEMA to review its re-evaluation.

### **Financial Disclosure Forms:**

Mr. Ruppel reminded the Commissioners that their Financial Disclosures are due by the end of April and if they need help in their submission to contact Mr. Bujak for any assistance.

### **Operator Positions:**

Mr. Ruppel reported that a Human Resources Committee met recently to review the the two open operator positions. While these positions have been both internally and externally advertised, he

is concerned that there is not a surplus of people who possess the required skills and licenses. In addition, one of the Authority's Mechanics has resigned to move on to other employment. This position will also be advertised in accordance with the Collective Bargaining Agreement.

**Arbitrage:**

There is an IRS requirement for the Authority to do an Arbitrage Review on its borrowing every five years. An Arbitrage Review consists of a review from an independent agency who assesses whether the Authority earned income in excess of its interest charge. While the Authority has taken the position this is not the case, it is the recommendation of the Finance Committee to engage an agency to confirm that the Authority is not in Arbitrage.

**Purchase Energy – On Line Auction Website:**

The Authority has determined through the recommendation of its staff that it is in its best interest to conduct a reverse energy auction utilizing Energy Market Exchange (EMEX), an approved Division of Local Government Services vendor (waiver number EMEX LLC-1), in an effort to procure basic generation electrical services for the Authority continuing to realize significantly reduced energy costs. In July 2013, the Board of Commissioners at a Regular Open Public Meeting unanimously approved Resolution #66-12 authorizing a three year commitment for the purchase of basic electrical generation services utilizing an online auction website. A resolution has been placed on the Regular Meeting Agenda for Board consideration and approval to authorize the Executive Director and staff to conduct a reverse energy auction utilizing the services of the aforementioned vendor EMEX.

**BUSINESS:**

- Resolution authorizing Change Order No. 2 for the former underground storage tank investigation in the existing contract with T&M Associates for the Modifications to the Belmar Pumping Station.
- Resolution authorizing the purchase of Energy Generation Services for Public Use Utilizing an Online Auction Website.
- Resolution Acknowledging Employee Stephen M. Wuchter for Exemplary Performance and Dedication to the SMRSA for the last Twenty-seven Years.

**PUBLIC PORTION:**

It was moved by Commissioner Mattia and seconded by Commissioner Burne to open the public portion of the meeting. All Commissioners voted aye. As there was no public present, a motion was made by Commissioner Mattia and seconded by Commissioner Cory to close the public portion of the meeting. All Commissioners voted aye.

**ADJORNMENT:**

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