

**SOUTH MONMOUTH REGIONAL SEWERAGE AUTHORITY
MINUTES - CAUCUS MEETING – FEBRUARY 12, 2015**

CALL TO ORDER: The Caucus Meeting of the South Monmouth Regional Sewerage Authority was called to order at 7:00 p.m. on Tuesday, February 12, 2015.

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, and 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.

CHAIRMAN Chairman Farrell acknowledges the 5-year re-appointment of Commissioner Thompson for the Borough of Manasquan and Commissioner Burne for Wall Township.

LEGAL COUNSEL Mr. Bonello swore in Commissioner Thompson as a SMRSA Commissioner representing the Borough of Manasquan and Commissioner Burne representing Wall Township.

Roll Call: Commissioners Burne, Cory, Farrell, Lynch, Mattia, Nicol and Thompson.

Messrs. Bonello, Bujak, and Ruppel.

Excused: Commissioner McLean

ATTORNEY’S REPORT:

Mr. Bonello reported that he discussed with Mr. Ruppel the contracts for the Pitney Avenue and Belmar Pumping Stations and the Co-Generation contracts during the month. In addition he has met with Mr. Ruppel on several occasions regarding the Pitney Avenue FEMA Grant.

EXECUTIVE DIRECTOR’S REPORT:

Annual Reorganization:

Mr. Ruppel briefly reviewed an outline of the annual reorganization of the Authority, which will take place during the February 12, 2015 Regular Open Public Meeting.

SYSTEM STATUS

Lake Como Pumping Station

Mr. Ruppel reported that construction at the Lake Como Pumping Station continues to be on schedule. He stated staff has been facilitating the demolition of the old Lake Como Pumping Station which is a requirement of the FEMA Grant award. All authorizations regarding the demolition have been received with one exception from the NJEIT which is expected shortly. A resolution has been placed on the Regular Meeting Agenda for Board consideration and approval for Change Order No. 1 to the Lake Como Pumping Station Contract with Quad Construction Company to include the demolition of the old pump station as well as a time extension to the contract for this demolition. In addition, Mr. Ruppel also reported staff was able to eliminate the antenna tower from the pumping station and replaced it with a flag pole which he believes will be more aesthetically pleasing to the residents.

Pitney Avenue Pumping Station

Mr. Ruppel reported that construction at the Pitney Avenue Pumping Station continues to be on schedule. The Authority is awaiting New Jersey Natural Gas to certify there is or ever was natural gas on this site. Once received, the building can be demolished. Mr. Ruppel stated he took the liberty to remove the triangle tower antenna that was to be used at the Lake Como Pump Station and utilize it at the new Pitney Avenue building.

Belmar Pumping Station:

Mr. Ruppel reported that last month the Board of Commissioners approved a change order to the T&M Associates Contract to modify the design scope of services and merge the procurement of the mobile enclosure with the pump station upgrade project.

Chief Engineer:

A discussion ensued between the Commissioners and Mr. Ruppel regarding the postponement of appointing the Executive Director to Chief Engineer as it relates to the certification of Application and Investment to the Renewal and Replacement Fund.

2015 AEA Utility Management Conference:

Mr. Ruppel reminded the Commissioners of the upcoming AEA Utility Management Conference on March 10th and 11th.

FEMA Mitigation Grant Program:

Mr. Ruppel reported that the Authority is in the process of receiving a grant award of \$86,000.00 from the FEMA Mitigation Grant Program which will allow the Authority to obtain additional pumps for its use as a protective measure for future storm events. The application is complete and is currently under State review; once approved it will move on for FEMA approval. Mr. Ruppel stated that receiving this grant award was made possible through an Inter-local Agreement with the Borough of Brielle. Mr. Ruppel expressed his appreciation to all those involved especially Mayor Nicol, Borough Administrator, Tom Nolan, Finance Officer, Steve Mayer and Police Chief Michael Palmer.

Co-Generation Gas Conditioning Skid:

Mr. Ruppel reported that in conjunction with the execution of a contract with Unison Solutions, Inc. for the Co-Generation Gas Conditioning Skid upgrade contract awarded last month, Authority staff has latently identified a new and additional requirement to thermally insulate the siloxane scrubbing vessels, valves, switches, piping etc. This is an integral component of the skid that prevents thermal losses through the vessels and therein enables the improvements and upgrades to function as designed. With this in mind, staff has solicited and received a proposal from Unison Solutions, Inc. to furnish and install said thermal insulation, including parts, supplies, and warranties, etc. It is his recommendation that an amendment be made to the existing contract for the acquisition and installation of the thermal insulating components as outlined and specified in the proposal. A resolution has been placed on the Regular Meeting Agenda for Board consideration and approval for a change in scope to a previously approved engineering services and system upgrades from Unison Solutions, Inc. related to the Co-Generation Gas Conditioning Skid.

Pitney Avenue FEMA Grant:

Mr. Ruppel reported he received an email several weeks ago from the New Jersey OEM who is the grantee of all FEMA grants within the state. They requested a meeting regarding the Pitney Avenue Project to discuss the scope and schedule of the project. He stated in further identifying the purpose of the meeting, he received feedback stating the OEM was not concerned about the schedule but the scope of the project. It has become apparent that the FEMA representatives working with the Authority two years ago assisting with the Project Worksheet (PWs) used an incorrect formula for the calculation of the Grant award. He stated that if a building was damaged, the damage is assessed and a determination made for the cost to restore the building to its pre-disaster condition, which in the case of Pitney Avenue was \$450,000.00 which becomes the eligibility for an award relief; however, if improvements are made beyond the damage assessment the damage is defined as an “improved project”. In order to qualify for the “improved project” there is a formula that is used to assess determination of the cost to rebuild the building to its pre-disaster condition. In the case of Pitney it’s estimated cost to rebuild the improved pumping station is \$750,000.00. Because \$450,000.00 is greater than 50% of \$750,000.00 the building has now met the burden of FEMA’s 50% rule. Once this is estimated it is determined what the actual cost will be to complete this project. When this rule is applied to the Pitney Avenue Pump Station its total cost is \$1.3M. It is anticipated that FEMA will be informing staff that an incorrect formula was used by FEMA representatives regarding the 50% rule which will result in the Authority having a \$1M deficit for the Pitney Avenue project. A meeting is scheduled for Thursday, October 18, 2015 with representatives from the NJ-DEP, NJEIT, OEM, FEMA and Witt O’Brien to further discuss the matter.

BUSINESS:

- Reorganization
 - Appointment of 2015 Authority Officers
 - Appointment of 2015 Committee Assignments
 - Adoption of 2015 Scheduled Meeting Dates
 - Adoption of Official 2015 Depositories
 - Adoption of Official 2015 Signatories
 - Adoption of Official 2015 Newspapers
 - Award of Professional Service Contracts
 - Bond Counsel

- Legal Counsel
- Labor Counsel
- Auditor
- Risk Management Consultant
- Laboratories Services
- I/T Services
- Pre-qualified Engineering Services
- Re-authorize Petty Cash Fund & Special Operations Account
- Authorize Change Order No. 1 for Quad Construction for the Lake Como Pump Station
- Authorize Change in Scope from a Sole Source Provider of Previously Approved Engineering Services and System Upgrades for a Sole Source Provider Related to the Co-Gen Gas Conditioning Skid.

COMMISSIONER COMMENTS

Commissioner Mattia thanked Chairman Farrell for a great job as Chairman this past year. Chairman Farrell replied that he enjoyed his time as Chairman and thanked everyone for their support.

PUBLIC PORTION:

It was moved by Commissioner Mattia and seconded by Commissioner Lynch 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 Lynch 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.