

**SOUTH MONMOUTH REGIONAL SEWERAGE AUTHORITY
MINUTES - CAUCUS MEETING – JUNE 11, 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, June 11, 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 Project is completed.

Pitney Avenue Pumping Station

Mr. Ruppel reported construction continues with the Pitney Avenue Pumping Station. The trailer has been delivered to the worksite and has been connected to the existing system; however, there are a number of electrical issues internal to the system that need to be resolved before the station can run on a permanent basis. In addition, there is an issue with the pumps as they are not operating as described in the design specifications. Troubleshooting is in progress, and the full scale start-up will be delayed for the next few weeks.

Mr. Ruppel also reported that he received a call from Mrs. Clarke (a resident across the street from the pump station) stating she was dissatisfied with the pump station’s overall appearance. Mr. Ruppel replied that once the temporary equipment is removed from the worksite, he would be happy to discuss the matter with her.

As previously mentioned it was necessary 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. The new requirements have resulted in additional work which requires a Change Order to the existing contract. A resolution for Change Order #1 authorizing certain changes to the contract with Rapid Pump and Meter has been placed on the Regular Meeting Agenda for Board review and consideration.

Belmar Pumping Station:

Mr. Ruppel stated he received comments on the drawings from NJEIT but not from the DEP regarding the Pump Station. The comments received were minor and staff is in the process of modifying the drawings and will re-submit to NJEIT for final approval. He expects the same will happen with the DEP comments when received. A resolution has been placed on the Regular Meeting Agenda for Board review and consideration authorizing the Authority to solicit for bids for the Belmar Pump Station construction contract.

Pitney Avenue FEMA Grant:

Mr. Ruppel reported that FEMA has notified the Authority that the Grant Award for the Pitney Avenue Pump Station is valued at the lesser of \$1.682 million dollars or actual cost of the project. He reiterated that the additional advantage of this funding is it being based on the actual cost of the project.

New Jersey Pollution and Discharge System Permit:

Mr. Ruppel reported he has received the final issued NJDEP Permit which contains all requirements of discharge and operation of a treatment plant. The permit is favorable for the Authority, with one exception, terakihi is now considered a technical organism as opposed to fecal chloroform. The Authority originally had one year to be in compliance but will have a difficult time meeting the parameter of the new ruling. The Authority has been monitoring terakihi for some time, and will need to review the historical data available and determine if the Authority can meet the new requirements. He recommended the Authority engage a firm to assist the Authority in the study to better understand the historical data, model it against future conditions, and supply recommendations that will ensure it is in compliance at all the times.

ADMINISTRATION

2014 Audit:

Mr. Ruppel reported a draft of the 2014 Authority Audit has been completed and a copy placed in the Commissioner's folders for their review. There are no recommendations in this year's Audit. He asked the Commissioners to review it and respond with any comments. An Exit Interview with the Auditor, Paul Cuva of Ferraioli, Wielkotz, Cerullo & Cuva has been scheduled for June 24, 2015.

Arbitrage Audit:

Mr. Ruppel reported that to be in compliance with Section 148 of the Internal Revenue Code of 1986, the Authority needed to perform calculations related to bond rebate requirements. The Authority made the decision to initiate an arbitrage review and engaged the services of P.F.M. Asset Management Group. The report has been completed and the reported findings are that the Authority was not in arbitrage.

Purchase of Energy Generation Services:

Mr. Ruppel reported at the Regular Open Public Meeting on April 9, 2015 the Board of Commissioners unanimously approved Resolution #34-15 authorizing the purchase of basic electrical generation services utilizing an online auction website. On June 11, 2015, the Authority held an online auction to purchase energy generation services in which eleven (11) energy suppliers participated. These suppliers offered fixed rates ranging from .0807/kWh to .0893/kWh for a 18 month period; however, he received an email just prior to this Board Meeting stating that a fatal error occurred and the two low bidders withdrew its bids. The company whose software platform the Authority utilized has taken responsibility for this situation but will result with the need for another auction to be held. He recommended that the resolution prepared for Board of Commissioners review and approval tonight be tabled to a future meeting.

BUSINESS:

- Resolution approving Change Order # 1 for the Pitney Avenue Pumping Station
- Resolution Ratifying the Purchase of Energy Generation Services for Public Use utilizing an online website **(TABLED)**
- Resolution Rescinding Resolution #86-14 and Authorizing the Solicitation of Construction Bids for the SMRSA Belmar Pumping Station

COMMISSIONER'S COMMENTS:

Commissioner Burne commented that Mr. Bujak recently attended a meeting at which several of her Wall colleagues attended. She stated she received very positive feedback about the professionalism displayed by Mr. Bujak.

PUBLIC PORTION:

It was moved by Commissioner Mattia and seconded by Commissioner Cory to open the public portion of the meeting. On voice vote, all voted aye. A motion was made by Commissioner Mattia, and seconded by Commissioner Lynch to close the public portion of the meeting. On voice vote, all voted aye.

ADJORNMENT:

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