

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

CALL TO ORDER:

The Caucus Meeting of the South Monmouth Regional Sewerage Authority is called to order at 7:00 p.m. on Thursday, November 12, 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, Lynch, Mattia, McLean, Nicol, Thompson.

Messrs. Bonello, Bujak, and Ruppel.

Excused:

Commissioner Farrell

ATTORNEY'S REPORT:

Mr. Bonello reported he worked with Mr. Ruppel on the annual procurement and services contracts, inter-local agreements with Stony Brook Regional Sewerage Authority and the Passaic Valley Sewerage Commission of which Mr. Ruppel will cover in his Executive Director's Report.

EXECUTIVE DIRECTOR'S REPORT:

SYSTEMS:

Pitney Avenue Pump Station:

Mr. Ruppel reported the Pitney Avenue Pump Station has been completed and is operational. During the month, staff met with residents and officials of Spring Lake regarding a solution to the cosmetic fence issue. New fencing is currently being manufactured and will be installed upon delivery. Staff believes the new fence with minor landscaping changes will resolve the residents' concerns.

Belmar Pumping Station:

Mr. Ruppel reported the Belmar Pump Station project continues to progress. Electrical wires owned by JCP&L were found on the site's property and staff is working with JCP&L to have them relocated. It is anticipated that the bypass pump will be in place after the Thanksgiving holiday.

Outfall Project:

Mr. Ruppel reported he has received approximately 50% of the plans to date. He stated a land issue and permit from the State of New Jersey recently developed and that a considerable amount of time was spent deliberating whether the permit was necessary, however, it has been deemed necessary for the project to continue.

S72 Bill – Regional Sewerage Authority Oversight Bill:

Mr. Ruppel reported that in June there was a bill that was introduced in the Senate Appropriations and Budget Committee called “S72 the Regional Sewerage Authority Oversight Bill”. Within the last two weeks it was announced that the Senate Appropriations and Budget Committee was going to move forward and going to place it on their Agenda with a vote scheduled for November 9, 2015. Once it was voted on it would then be passed to the Senate for a vote and in parallel the Bill would also be released to the Assembly for their vote. The Bill as it is written has three major elements, the first is it would place a 2% increase cap on all regional sewerage authorities’ appropriation budget for each billing cycle. The second element is it would also cap the billing for any local unit or its customer to a 2% increase year over year; lastly, it would provide for an increased oversight of the DCA from there it would go to the Governor’s desk. The Governor will have to sign off on the bill or veto it and it is still questionable if he will have line item veto power. The Bill as it is written would have an immediate devastating impact on SMRSA. There are potential problems with all three elements, but the most significant one is the second element, a 2% cap on local units from year to year. He then provided specific examples and the negative impact it would have on the Authority. Mr. Ruppel reported that he went to Trenton to represent the Authority as well as the AEA representing the state level’s perspective. Four people gave testimony and were successful in having the Bill held at Committee and not released. The Chairman and Senator Oroho agreed to have Senator Stack (a sponsor of the Bill) contact the AEA in an effort to restructure the language in the Bill. With the upcoming holiday, this Bill will not get back on the agenda until possibly December 10, 2015. Currently several people are initiating information in table format that will demonstrate the resulting impacts the Bill will have on the respective Regional Sewerage Authorities.

Generators – Possible Pilot Program:

Mr. Ruppel reported that while attending the 2015 WEFTEC conference he was approached by Tech 3 Solutions with a private/public joint venture. Tech 3 Solutions is the same company that brokered the Co-Generation System here at SMRSA. They have in their possession two 1.5 megawatt generators. These generators are 10 times larger than the generators the Authority currently has. Tech 3 is looking to install these generators and is proposing a joint venture where these generators would be placed on SMRSA property. Mr. Ruppel stated this arrangement could prove beneficial to the Authority as the energy produced would exceed current Authority demands resulting in the sale of excess energy. New Jersey is trying to develop self-sufficient islands throughout the State, so if calamity strikes certain critical infrastructure will remain operating, like water, sewerage, hospitals, and then shopping centers, gas stations, schools, etc. One of the ways to create these islands is through public/private partnerships and Tech 3 has funding to assist these public agencies. If the Authority were to do a joint venture, it would need \$300,000.00 of construction funds to make these engines operate to include air permitting, and contract negotiations with the electric and gas utilities. It is not a huge investment but the return is phenomenal. If the Authority were to negotiate an agreement similar to what it has now to sell

power back to the grid, it could be a \$2,000,000 power generation system in total after the paybacks are made. More discussion followed regarding the venture and concluded with the Commissioners directing Mr. Ruppel to further discuss the concept with Tech 3 Solutions and advise them at a future meeting.

Separation with Employee 62667:

Mr. Ruppel stated that the Authority has separated its relationship with Employee Number 62667 and received a grievance from the former employee. Mr. Ruppel reported that the grievance was turned over to SMRSA's Labor Counsel, who advised the Authority to deny the grievance.

Annual Procurement and Services Contracts:

Mr. Ruppel reported that there are a number of annual reoccurring contracts on the Regular Meeting Agenda. The Sodium Hypochlorite contract pricing and successful bidder is the same as last year. The Magnesium Hydroxide contract is also the same bidder and its pricing increased 13 of one hundreds of a percent which does not represent a significant increase. There are combined contracts for Sludge hauling and disposal and the values have increased slightly but remain within the 2016 budgeted amounts. In total, seven contracts award resolutions have been placed on the Regular Meeting Agenda for Board consideration and approval.

BUSINESS:

- Resolution to approve an Interlocal Agreement with Stony Brook Regional Sewerage Authority for the Disposal of Liquid Sewage Sludge
- Resolution to approve an Interlocal Agreement with Passaic Valley Sewerage Commission for the Disposal of Liquid Sewage Sludge
- Resolution awarding the 2016 Contract to Furnish & Deliver Bulk Sodium Hypochlorite to Univar USA, Inc.
- Resolution awarding the 2016 Contract to Furnish & Deliver Magnesium Hydroxide, Thioguard to Premier Magnesia, LLC
- Resolution awarding the 2016 Contract for the Removal and Disposal of Liquid Sewer Sludge to Accurate Waste Removal Services
- Resolution awarding the 2016 Contract for Electrical Diagnostic Troubleshooting and Repair Services to K. Hanrahan Enterprises, Inc.
- Resolution awarding the 2016 Contract for Equipment Repair, Rental and Maintenance and Installation Services to Shafts and Sleeves Co., Inc.

PUBLIC PORTION:

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