

**SOUTH MONMOUTH REGIONAL SEWERAGE AUTHORITY
MINUTES - CAUCUS MEETING – JULY 14, 2016**

CALL TO ORDER:

The Caucus Meeting of the South Monmouth Regional Sewerage Authority was called to order at 7:00 p.m. on Thursday, July 14, 2016.

Moment of Silence and Salute:

Led by Chairman Nicol

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 Clerks of our member municipalities on February 22, 2016; and to the Asbury Park Press and the Coast Star on February 25, 2016. The minutes of this meeting will be available after Board approval at a subsequent meeting.

Roll Call:

Present:

Commissioners Burne, Dempsey, Farrell, Lynch and Nicol.

Messrs. Bonello, Bujak, and Ruppel.

Excused:

Commissioners Cory, Mattia and McLean

ATTORNEY’S REPORT:

Mr. Bonello reported he worked with Mr. Ruppel on the rejection of the bid received for the Ocean Outfall Project and several other items during the month of which he will review in his Executive Director’s Report.

EXECUTIVE DIRECTOR’S REPORT:

SYSTEM STATUS

Belmar Pumping Station:

Mr. Ruppel reported the Belmar Pumping Station Project is progressing and it is scheduled to begin operations shortly.

Outfall Project:

Mr. Ruppel reported bids were opened and received for the Outfall Project on July 12, 2016. Seven (7) bids were picked up, however the Authority only received one bid which substantially exceeded the Project Engineer’s estimate of \$1,867,813.00. The bid received was that of Caldwell Marine International LLC of Farmingdale, NJ in a total base amount of \$8,472,300.00. He believes that a re-bid of the project will result in a lower cost for the Authority. A resolution has been placed on the Regular Meeting Agenda rejecting the bid received for the Ocean Outfall Project from Caldwell Marine International for Board of Commissioner consideration and approval.

Co-Generation System Feasibility Study Update:

Mr. Ruppel reported the Cost Benefit Analysis remains under review. Authority staff continues to prepare the full application package to be submitted to the Energy Resilience Bank.

Settling Tanks - Weirs/Troughs Project:

Mr. Ruppel stated the Authority maintains four settling tanks for the purpose of separating settleable materials from wastewater and concentrating these solids into minimal volume for sludge digestion. In an effort to maintain these settling tanks, in May 2016 a procurement contract for settling tanks parts and material was approved by the Board of Commissioners. He reported that the settling tank project, specifically the troughs and weirs repairs and maintenance is underway. In the course of submitting the shop drawings for this project the engineers completing the drawings approached SMRSA staff suggesting that by changing the configuration of the mounting brackets, it would change the complexity of installing and rotating these parts. After some discussion staff agreed to change the configuration of the mounting brackets which in turn will require a change order to the original procurement contract. A resolution has been placed on the Regular Meeting Agenda for additional settling tank parts and materials for Board consideration and approval.

ADMINISTRATION

2015 Audit:

Mr. Ruppel reported the 2015 Audit for the Fiscal Year Ending December 31, 2015 has been completed and copies were previously distributed to the Commissioners for review. He stated that the Audit reported no recommendations or comments. He also stated that in order for the Authority to be in compliance with GASB Pronouncement 68, the Authority was required to record its total current pension liability for the first time on its financial statements within the Audit. A resolution has been placed on the Regular Meeting Agenda for Board of Commissioner consideration and approval.

Permanent Hire of Mr. Declan Kennedy:

Mr. Ruppel reported the Human Resource Committee met on June 29, 2016 to discuss several issues, one being the permanency of a recent new hire, Mr. Declan Kennedy who has completed his 90 day probationary period. Mr. Kennedy has received favorable reviews from his managers and it is his recommendation the Authority retain him as a permanent employee. A resolution has been placed on the Regular Meeting Agenda for Board of Commissioner consideration and approved.

Promotion of Mr. Timothy Timbrook to Temporary Interim Superintendent:

Also discussed during the Human Resource Meeting was the impending retirement of current Superintendent, Mr. James Brennan on February 1, 2017. Mr. Ruppel stated the Committee at previous meetings discussed a number of options to address the gap of 40 years of experience that Mr. Brennan possesses. It was decided that in anticipation of filling this position, Mr. Tim Timbrook, Support Systems Leader, would eventually be promoted to the Superintendent position, but in the interim, he would move into the newly created position of Temporary Interim

Superintendent. Mr. Timbrook has been with the Authority for 20+ years and it is Mr. Ruppel's position that he is absolutely the right person to assume the role. A discussion followed between the Commissioners and Mr. Ruppel regarding the salary compensation schedule for the temporary interim superintendent position. A resolution has been placed on the Regular Meeting Agenda for Board of Commissioner consideration and approval to establish the position of temporary interim superintendent and a second resolution to promote Mr. Timbrook into the position.

Non-Fair and Open Contract for Bond Counsel Services:

Mr. Ruppel reported Ms. Megan Bennett Clark the Authority's current Bond Counsel and the entire Red Bank Office of Dilworth Paxson LLP is being absorbed by Gluck Walrath, LLP effective September 1, 2016. In regards to the current refunding efforts underway for the Authority's Sewer Revenue Bonds, it is Mr. Ruppel's recommendation that the Authority engage Attorney Megan Bennett Clark and other members of her staff to perform Bond Counsel Services in order to continue the refinancing of the Authority Sewer Revenue Refunding Bonds uninterrupted. A resolution has been placed on the Regular Meeting Agenda for Board of Commissioner consideration and approval to award Attorney Megan Bennett Clark and her staff as Bond Counsel until the 2017 Authority Reorganization Meeting.

Issuance of SMRSA Sewer Revenue Refunding Bonds, Series 2016A:

Mr. Ruppel reported that in May 2016 the Board of Commissioners unanimously approved Resolution #52-16 directing application be made to the Local Finance Board authorizing its participation in the Bond Financing Program of the Monmouth County Improvement Authority (MCIA). Staff has reviewed the Bond Financing Program proposed by MCIA and has agreed to move forward with the refinancing of said bonds. A supplemental resolution has been placed on the Regular Meeting Agenda for Board of Commissioner consideration and approval to authorize the issuance of not to exceed \$7,600,000 of the Authority's Sewer Revenue Refunding Bonds.

BUSINESS:

- Resolution authorizing Change Order Number 1 for additional Settling Tank Parts and Materials (Aluminum Troughs-Weirs)
- Resolution rejecting the bid for the Ocean Outfall Maintenance Project
- Resolution approving Mr. Declan Kennedy as a full time permanent employee of the South Monmouth Regional Sewerage Authority
- Resolution ratifying the actions of the Executive Director in establishing the position of Temporary Interim Superintendent
- Resolution ratifying the actions of the Executive Director in promoting Mr. Timothy Timbrook to the position of Temporary Interim Superintendent
- Resolution to approve the 2015 Audit for Fiscal Year ending December 31, 2015
- Resolution approving a Non-Fair and Open Contract for Bond Counsel Services
- Resolution authorizing the Issuance of Not to Exceed \$ 7,600,000 of the Authority's Sewer Revenue Refunding Bonds, Series 2016A and determining various matters pertaining thereto

PUBLIC PORTION:

It was moved by Commissioner Burne and seconded by Commissioner Farrell to open the public portion of the

meeting. On voice vote, all voted aye. A motion was made by Commissioner Farrell, and seconded by Commissioner Burne to close the public portion of the meeting. On voice vote, all voted aye.

ADJORNMENT:

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