

**SOUTH MONMOUTH REGIONAL SEWERAGE AUTHORITY  
MINUTES - CAUCUS MEETING – APRIL 13, 2017**

**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 13, 2017.

**Moment of Silence and Salute:**

Led by Chairman Mattia

**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 21, 2017; and to the Asbury Park Press and the Coast Star on February 23, 2017. The minutes of this meeting will be available after Board approval at a subsequent meeting.

**Roll Call:**

*Present:*

Commissioners Burne, Donovan, Farrell, Lynch, Mattia, McLean, and Nicol.

Messrs. Bonello, Krause, Timbrook and Bujak.

**Excused:**

Commissioner Cory and Executive Director Ruppel

**ATTORNEY'S REPORT:**

Mr. Bonello reported he worked with Mr. Ruppel and Mr. Bujak on several issues in addition to working with Mr. Krause regarding several issues that had occurred with the Authority's Spring Lake Heights easement to which actions have been put in place to rectify these issues.

**MANAGEMENT REPORT:**

**SYSTEMS**

**Outfall Project**

Mr. Krause, Authority Engineer reported the Outfall Project's shop drawings are being reviewed. A pre-construction dive inspection has been scheduled for the week of April 24, 2017 with the contractor. Due to a black out period, contractors are not allowed access to the ocean until July 2017 prohibiting the project construction starting earlier.

Mr. Bujak added the Outfall Project remains on schedule. He stated Mr. Krause has begun discussions with FEMA to obtain project reimbursement instructions. The Outfall Project has a total cost of approximately \$2.3 million dollars and the Authority is anticipating a \$1 million dollar grant from FEMA which is approximately 50% of the total project's cost.

### **Cogeneration Resiliency Upgrades**

Mr. Krause reported that in order to expand the existing Cogeneration System thereby enabling the Authority to become an “Island” during a power outage, staff is working with the Energy Resilience Bank (ERB) for its funding. He stated that 95% of the design plans are complete and staff is currently in the final review of these plans. A meeting has been scheduled with Energy Resilience Bank (ERB) on April 18, 2017 to discuss the project’s financing. The total project cost will be in the \$2.5 million dollar range and the Authority is anticipating receiving a 50% grant from the ERB.

Mr. Bujak reported the Cogeneration Project’s anticipated cost is \$2.3 million dollars and that half of that funding will be through a grant. Staff is currently working on securing the additional funding either from Energy Resilience Bank (ERB), the Local Finance Board, or through Authority funding. As previously mentioned, the Authority will be meeting with the ERB and based upon those discussions a Finance Committee Meeting will be scheduled along with Bond Counsel to review all options.

Mr. Bujak stated the project’s engineer, T&M Associates has a concern that the April 3, 2017 bid ready date is not achievable due to unanticipated additional meetings required for a higher level of support ensuring all design features and/or components are closely coordinated and compatible between the existing 140kw engine and the new 315kw engine. A resolution has been placed on the Regular Meeting Agenda for Board consideration and approval to extend T&M Associates bid ready date for an additional 32 days or May 5, 2017.

### **Belmar Pumping Station:**

Mr. Krause reported the Belmar Pump Station Project is in its final completion stage. Two resolutions have been placed on the Regular Meeting Agenda for Board of Commissioners consideration and approval. The first resolution is a negative change order due to the project underrunning its projected costs and coming in \$45,000.00 under budget; the second resolution is the final payment for the Belmar Pumping Station Project to the contractor, Allied Construction, Inc.

Mr. Bujak added the Authority has submitted its final SAIL reimbursement request which brings the total construction cost for Allied Construction, Inc. at \$2,530,000.00 opposed to the original contract cost of \$2,576,000.00.

In February 2017 the Board of Commissioners authorized continuing the pursuit of FEMA hazard mitigation funding for the Belmar Pump Station, however, since it did not incur as much damage from Super Storm Sandy than the other SMRSA stations due to its higher elevation, staff is concerned it will not be possible to produce sufficient data necessary to obtain the FEMA hazard mitigation funds anticipated. He stated Executive Director Ruppel is of the opinion that it would be more beneficial to the Authority to accept the NJEIT offering of a 19% principal forgiveness which would be \$650,000.00 and move forward into the Fall NJEIT borrowing saving time, energy and identifying the exact amount to be borrowed and build a re-payment schedule into the Authority’s 2018 budget.

## ADMINISTRATION

### Staffing:

Mr. Bujak asked the new Superintendent, Mr. Timbrook if he had anything to contribute to the meeting. Mr. Timbrook thanked the Commissioners for giving him the opportunity to fill the position. He stated Mr. Ruppel, Mr. Bujak and Mr. Krause have given him their support and assistance during his transition. He also stated he is optimistic in his outlook toward his future with the Authority. There have been some positive changes taking place, some slower than others but overall all are going well.

Commissioner Burne, representing the Board of Commissioners commented that they are pleased to have Mr. Timbrook as the Superintendent and they all are confident that he will do an exceptional job.

Mr. Bujak reported in January 2017, the Board of Commissioner ratified the actions of the Executive Director in hiring Mr. William Apuzzo as interim Systems Support Manager. Mr. Apuzzo has satisfied his 90 day probationary period with the Authority and Mr. Bujak asked Superintendent Timbrook if he had anything to add. Mr. Timbrook stated that when Executive Director Ruppel and he interviewed Mr. Apuzzo they were impressed and that has not changed, he has done an excellent job. A resolution has been placed on the Regular Meeting Agenda for Board of Commissioners consideration and approval to appoint Mr. Apuzzo as a full-time permanent employee of the South Monmouth Regional Sewerage Authority.

Mr. Bujak reported the Authority continues to provide uninterrupted service with a less than a full complement of staff which he believes is a testament to Executive Director Ruppel and Superintendent Timbrook. Staff continues to post for all vacant positions to satisfy the immediate needs of the organization and implement the succession plan put in place by the Executive Director five years prior knowing that several long-time employees would be retiring within the next several years.

Mr. Bujak reported the Executive Director Ruppel and Superintendent Timbrook recently attended a New Jersey Business Industry Association (NJBIA) Seminar whose topic included Generation X workforce and the difficulty labor intensive organizations such as SMRSA will have a much more difficult time finding candidates who are willing to do this type of work as opposed to the Generation X Workforce's desire to work from home and primary on their computers. The Seminar was very informative and both made several contacts in the human resource industry.

### Collective Bargaining Negotiations:

Mr. Bujak reported that he and Superintendent Timbrook met with the United Steel Workers Union on April 12, 2017. He believes it was a successful meeting ending with a Memorandum of Agreement which was reviewed and approved by the Executive Director. The Agreement consists of a two year contract with a 1.7% increase in union salaries. The Union Shop Stewart will be presenting this agreement to its membership on April 18, 2017. If it is accepted by its membership, staff will schedule a Human Resource Committee Meeting the first week of May 2017 to review all the details, and is anticipating having an affirming Union Contract resolution before the Board of Commissioners at its June or July Board Meeting.

**Financial Disclosure Forms:**

Mr. Bujak reported that there have been amendments to the Annual Financial Disclosure Reporting. Home addresses and selected personal information is now optional. A notice from the Local Finance Board was placed in each Commissioner's meeting package which goes into more detail. He stated he will continue to provide the Commissioners with any updates regarding their filing and stated if any Commissioner needs assistance with completing the disclosure to contact him.

**AEA Spring Conference:**

The AEA Spring Utility Conference has been rescheduled for April 25<sup>th</sup> and 26<sup>th</sup>. The Conference was previously postponed due to a wet weather event. The Professional Development Academy will be holding its graduation ceremony during the Wave Award Luncheon. Superintendent Timbrook will be recognized for attending all four tracks of the Academy during this luncheon. The Executive Director, Superintendent Timbrook and Mr. Bujak will be reviewing Authority employees who may be candidates to participate in next year's Academy.

**2016 Audit:**

Mr. Paul Cuva, Ferraioli, Wielkotz, Cerullo & Cuva, P.A. is scheduled to begin the 2016 Audit field work on Tuesday, April 18, 2017. Mr. Bujak stated he does not anticipate any issues with this year's audit.

**BUSINESS:**

- Resolution Awarding Time Extension Number 1 to T & M Associates for the Co-Generation Resiliency Upgrade Project
- Resolution Authorizing Negative Change Order Number 1 and Close Out to Allied Construction for the Belmar Pump Station Rehabilitation Project
- Resolution Authorizing the Retirement of NJEIT Borrowings as it relates to the Lake Como and Pitney Avenue Rehabilitation Projects
- Resolution to Approve Mr. William Apuzzo as a full-time permanent employee of the South Monmouth Regional Sewerage Authority

**PUBLIC PORTION:**

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

**ADJORNMENT:**

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