

**SOUTH MONMOUTH REGIONAL SEWERAGE AUTHORITY
MINUTES - CAUCUS MEETING – JUNE 8, 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, June 8, 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, Cory, Donovan, Farrell, Lynch, Mattia, and Nicol.

Messrs. Bonello, Bujak, Krause, Timbrook and Ruppel.

Absent:

Commissioner McLean

EXECUTIVE DIRECTOR REPORT:

SYSTEMS

Outfall Project

Mr. Ruppel reported the Outfall Project Pre-construction Dive Inspection has been completed. The Authority has received the formal dive report with the results confirming the conditions around the Outfall are different from the original project design. He stated that staff will take the recent assessment of conditions and pare them up against the conditions of the Outfall at the time the Project Design was completed and re-design the construction contracts accordingly. If it is necessary to initiate a change order, he believes the costs resulting from the design changes will be under the current project budget.

Cogeneration Resiliency Upgrades

Mr. Ruppel reported that the Cogeneration Project Design has been completed however obtaining the necessary air permits has been a challenge. He stated that he has had several discussions with the DEP regarding their requirements which continue to change. The last revision sent earlier this week has been returned with an additional list of requirements. He stated that application is being made to the Local Finance Board (LFB) to approve the borrowing from the Economic Development Authority (EDA). The LFB Meeting is scheduled for June 14, 2017 to which Mr. Bujak and Mr. Krause will be attending in the absence of the Executive Director. A

resolution has been placed on the Regular Meeting Agenda for authorization to solicit bids for the Cogeneration Resiliency Upgrades Project for Board consideration and approval.

Vehicle Purchase:

Although a resolution is not necessary for the purchase of an Authority vehicle, Mr. Ruppel informed the Commissioners that staff is in the process of purchasing a vehicle to add to its fleet.

ADMINISTRATION

2016 Audit:

Mr. Ruppel reported that both he and Mr. Bujak, Finance Manager are in receipt of the 2016 Audit and there were no recommendations. A Finance Meeting has been scheduled for Monday, June 19, 2017 to review said Audit and initiate the exit interview with the Auditor, Paul Cuva of Wielkotz, Cerullo & Cuva, P.A. at that time. Once completed staff will distribute copies of the 2016 Audit to each Commissioner for their review with the intent of having it approved during the July 13, 2017 Board of Commissioners Meeting. Mr. Ruppel believes that the most significant finding in the Audit is that the Authority's net position remains positive even after noting the newly required Pension obligations.

Asset Management Presentation:

Mr. Ruppel introduced an Asset Management Presentation that was presented by Mr. Krause giving a brief synopsis explaining the necessity to having such a program.

Mr. Krause's presentation began with an explanation of how the Authority is managing its Asset Management Program, referring to it being an in-house effort of all Managers of the Authority. He stated that staff is using the software on hand and leveraging and expanding it to fit the management of the Authority's assets.

Mr. Krause's presentation consisted of the following items in which he address in detail.

- What is Asset Management – Asset Management is optimizing the life cycle costs of assets to provide a defined level of service. It is a continuous improvement process that focuses on optimizing data, systems, people and practices.
- Why have an Asset Management Program – The EPA Mandates it, NJDEP Permits Require it, and this allows the Authority the eligibility to receive any kind of government funds (i.e., loans, grants, principle forgiveness loans, etc.).
- What needs to be accomplished – An Asset inventory, mapping and conditions of each asset needs to be defined. Life cycle costing and a criticality or prioritization assessment of each asset needs to be identified as well as the Authority's long term funding strategy for them.

Sewer Extension:

Mr. Ruppel concluded his Executive Director Report advising the Board that a resolution has been placed on the Regular Meeting Agenda for Board consideration to approve a sewer extension for the project known as the Learning Experience/Single Family in Wall Township.

BUSINESS:

- Resolution to Authorize the Solicitation of Bids for the SMRSA Co-Generation Resiliency Upgrade Project.
- Resolution to Approve a Sewer Extension for the Learning Experience/Single Family.

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 Burne, and seconded by Commissioner Cory to close the public portion of the meeting. On voice vote, all voted aye.

ADJORNMENT:

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