

**SOUTH MONMOUTH REGIONAL SEWERAGE AUTHORITY  
MINUTES - CAUCUS MEETING – JULY 12, 2018**

**CALL TO ORDER:**

The Caucus Meeting of the South Monmouth Regional Sewerage Authority was called to order at 5:30 p.m. on Thursday, July 12, 2018.

**Moment of Silence and Salute:**

Led by Chairman Burne

**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; and to the Asbury Park Press and the Coast Star on February 12, 2018. The minutes of this meeting will be available after Board approval at a subsequent meeting.

**Roll Call:**

**Present:**

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

Mr. Bujak and Mr. Krause.

**Excused:**

Commissioner Cory, Mr. Bonello and Mr. Timbrook

**EXECUTIVE DIRECTOR’S REPORT:**

**Outfall Access Chamber Project:**

Mr. Krause reported the Outfall Access Chamber Project is ongoing and on schedule.

**SMRSA Pump Stations Upgrade Project:**

Mr. Krause reported the Pump Stations Upgrade Project is on-going and is on schedule.

**Co-Generation System Upgrades:**

Mr. Krause reported that the Co-Generation Upgrade Project is progressing.

**Force Main/Outfall Condition Assessment Plan:**

Mr. Krause reported he has completed the Request for Proposals (RFP) for Phase I of the Force Main/Outfall Condition Assessment Project. The purpose of Phase I is to initiate a plan of action and to evaluate various technologies to be used for the project and then present a recommendation on how to proceed. With Board approval, he will send out the RFP on Friday, July 13, 2018, and is looking to have all proposals received by August 7, 2018, and reviewed prior to the August Board of Commissioner Meeting.

### **M Street Property:**

Mr. Krause reported Wall Township is interested in taking ownership of the property adjacent to M Street owned by SMRSA. However, before Wall can take ownership they are required to initiate an environmental assessment of the property and have engaged an engineering firm to complete this assessment. He further stated that the neighbors have removed all of their items from SMRSA's property. Mr. Krause advised the Board that he has discussed with Mr. Bonello, Authority Attorney his intent to include the necessary deed restrictions to ownership of the property prior to the transfer of same.

### **S848 Sewer Budget & Customer Billing 2% Cap Law Update:**

Mr. Krause reported that just prior to the Board of Commissioners Meeting he received a draft of the 2% Cap Law Regulations in which he is currently reviewing. He stated that the Attorney General has petitioned the State to dismiss Two Rivers' lawsuit stating that the Local Finance Board has not yet created the rules contained in the Law thus Two Rivers' has not been impaired by the Law and Regulations. He further stated that the Department of Local Government Services (DLGS) believes it is going to address 99% of their issues through waivers. Two Rivers has sent communication back to the State reiterating their position.

## **FINANCE/ADMINISTRATION**

### **2017 Audit Approval:**

Mr. Bujak reported he and the Executive Director met with Mr. Paul Cuva, Authority Auditor to conduct the exit interview on Friday, June 22, 2018. He further stated later the same day, the Auditor met with the members of the Finance Committee to review same. Highlights of the this year's Audit include the following:

- The Authority continues to remain financially strong and fiscally proven.
- The Authority's net position has improved over last year by \$1.95 Million Dollars which is primarily due to its debt reduction. This included the retirement of Lake Como and Pitney Ave Pump Stations outstanding balances and as such were deleted from the Authority's books
- The Belmar Pump Station loan closed at a significantly lesser amount than originally applied for.
- The Authority's Asset Management Funds increased by \$250,000.00 due to last year's decision to fund a portion of the Authority's pension liability.
- The Audit contains no recommendations or comments.

Mr. Bujak stated a resolution has been placed on the Regular Meeting Agenda for Board of Commissioners consideration and approval of the 2017 SMRSA Financial Audit.

### **2018 Amended Capital Budget:**

Mr. Bujak reported that when the 2018 Capital Budget was submitted and approved, the Co-Generation Upgrade Project was not yet formally approved and confirmation of the funding sources identified, and as such was not included in the 2018 Capital Budget that was sent to the Department of Local Government Services (DLGS) for approval. The amended Capital Budget has been increased by \$3.9 Million Dollars to include the Co-Generation Upgrade Project of

which 75% of this amount will be in the form of a Grant with the remaining 25% being additional debt. During the recent Finance Committee Meeting held on June 22, 2018 the committee members reviewed the 2018 Amended Capital Budget and a resolution has been placed on the Regular Meeting Agenda for Board of Commissioners consideration and approval of same.

**Staffing:**

Mr. Bujak reported in January 2018, the Board of Commissioner ratified the actions of the Executive Director in hiring Ms. Natalie Chesko as the Authority's Engineer and Mr. Tyler Zambella as an Apprentice II. Both Ms. Chesko and Mr. Zambella have satisfied their 150-day probationary period and have received excellent performance reviews from their supervisors and is recommending both become permanent employees of the SMRSA. Two separate resolutions have been placed on the Regular Meeting Agenda for Board of Commissioners consideration and approval to appoint both Ms. Chesko and Mr. Zambella as full-time permanent employees.

**Annual Procurement Contracts**

Mr. Bujak reported this time of year the Authority solicits for its 2019 annual procurement and services contracts which include the procurement of Sodium Hypochlorite, Magnesium Hydroxide and the Hauling and Disposal of Sewer Sludge; services contract include Electrical Diagnostic Services and Equipment Rental and Repair Services. Two resolutions have been placed on the Regular Meeting Agenda for Board of Commissioners consideration and approval the first being the solicitation of the procurement contracts, and the second is the solicitation of electrical and equipment services.

**Sewer Extension Application:**

Mr. Krause stated a resolution has been placed on the Regular Meeting Agenda for Board of Commissioners consideration and approval for a Sewer Extension for the project known as 2350 NJSH Route 34 in Wall Township. The project consists of the construction of a new 90,132 s.f. commercial building and an 8,040 s.f. storage addition.

**BUSINESS:**

- Resolution to Authorize the Transfer of Funds from the Revenue Account to the Operating/Payroll Account.
- Resolution to Authorize the Payment of Current Month Construction Project Bills.
- Resolution to Amend the 2018 Capital Budget
- Resolution to Approve the 2017 Audit for the Fiscal Year Ending December 31, 2017.
- Resolution to Authorize Solicitation of Bids to Furnish and Deliver Sodium Hypochlorite, Magnesium Hydroxide and for the Removal and Hauling of Sewer Sludge
- Resolution to Authorize Solicitation of Bids to Contract Equipment Repair, Rental, Maintenance & Installation Services; and Electrical Diagnostic, Troubleshooting and Repair Services.
- Resolution to Approve Ms. Natalie Chesko as a full-time permanent employee of the South Monmouth Regional Sewerage Authority
- Resolution to Approve Mr. Tyler Zambella as a full-time permanent employee of the South Monmouth Regional Sewerage Authority

- Resolution Approving a Sewer Extension for the project known as 2350 NJSH Route 34, located on Tax Block 811.01, Lot 5 in the Township of Wall, New Jersey.

**PUBLIC PORTION:**

It was moved by Commissioner Mattia 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 Mattia and seconded by Commissioner Farrell to close the public portion of the meeting. On voice vote, all voted aye.

**ADJOURNMENT:**

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