

**SOUTH MONMOUTH REGIONAL SEWERAGE AUTHORITY  
MINUTES - CAUCUS MEETING – AUGUST 11, 2011**

**CALL TO ORDER:**

The Caucus Meeting of the South Monmouth Regional Sewerage Authority was called to order at 7:00 p.m. on Thursday, August 11, 2011.

**Moment of Silence and Salute:**

Led by Chairman Cory

**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 11, 2011. The minutes of this meeting will be available after Board approval at a subsequent meeting.

**Roll Call:**

**Present:**

Commissioners Blasi, Burne, Cory, Farrell, Lynch, Mattia, Nicol and Schmeling.

Mr. Bonello, Mrs. Brophy, Mr. Ruppel and Mr. Cuva, Ferraioli, Wielkotz, Cerullo & Cuva, P.A.

**Excused:**

Mr. Bujak

**EXECUTIVE DIRECTOR'S REPORT:**

Mr. Ruppel's Executive Director Report included a review of the following Authority business related items:

**Refinance of the 2003 Sewer Revenue Bonds:**

In September 2010, the Board of Commissioners approved Resolution #77-10 authorizing the Issuance of Refunding Bonds and the Issuance of Additional Bonds through the Monmouth County Improvement Authority along with application to the Local Finance Board for its consent to issue these bonds. In October 2010, the Local Finance Board approved the Authority's Bond Application and the SMRSA Board of Commissioners approved Supplemental Resolution #83-10 authorizing the issuance of the Authority's Sewer Revenue Bonds and Issuance of Refunding the 2003 Series Sewer Revenue Bonds.

Since October, there have been numerous and significant economic events in the bond market. Although the Authority was very proactive in planning for its refinancing and issuance, there was a significant supply of these types of financial instruments in the marketplace, which resulted in decreased net present value savings. In December 2010, the Board of Commissioners concurred with the advice of the Authority's engaged professionals to delay the Issuance of Refunding the 2003 Series Sewer Revenue Bonds.

During the month, the Finance Committee met with the Authority's Auditor, Mr. Paul Cuva and after discussion concurred with the advice of the Authority's Bond Counsel to recommend to the Board to re-consider the Issuance of Refunding the 2003 Series Sewer Revenue Bonds in light of the current low rates of the market.

Mr. Ruppel reviewed with the Board of Commissioners a summary of this meeting and presented two financial analysis completed by separate underwriting firms showing the potential for the Authority to save \$350,000 to \$500,000 if market conditions remain the same. Mr. Cuva concurred with Mr. Ruppel's recommendation to the Board and supplied additional financial details regarding the Refunding. A resolution authorizing the SMRSA to engage the Authority's professionals, Bond Counsel, Auditor, and Staff to examine the possibility of Refunding the 2003 Series Sewer Revenue Bonds has been placed on the Regular Meeting Agenda for Board approval.

#### Sea Girt Pump Station Rehabilitation:

Mr. Ruppel reported that the Sea Girt Pump Station is operating at full capacity with only a few minor items remaining to be corrected.

During the month, Mr. Ruppel met with several Sea Girt residents and the Special Committee formed by the Chairman to address their concerns with the enclosure placed at the Sea Girt Pump Station. Also attending the meeting were Commissioners Mattia and Farrell, Sea Girt Mayor, Mr. Clemmensen and Business Administrator, Mr. Bunting. Mr. Ruppel reported that there was a consensual agreement with the committee and residents that additional trees and shrubs would be planted to conceal the enclosure. However, due to the Authority's budget constraints, easement questions to be addressed and the reconstruction of existing curbs, these changes would not be accomplished this year and would be addressed in fiscal year 2012.

#### Co-Generation Performance:

Mr. Ruppel reported to the Board the status of his investigation into Ener-G-Rotors, a system that might be utilized to convert wasted thermal energy in the co-gen system to electrical energy. After meeting with the manufacturer, it has been determined that further investigation into the potential for an Ener-G-Rotor system application and pilot testing is warranted; and that staff will be reporting back to the Board as additional findings become available. The discussion continued and the Board agreed with Mr. Ruppel's opinion that given the likelihood of an Ener-G-rotor system installation that the undertaking of a pilot program with Prodex (a biogas enhancement product) may also be in order and that staff is authorized to proceed with the further investigation of same. Mr. Ruppel indicated he would report back to the Board as the pilot process moves forward.

#### Sale of Surplus Property:

In April the Board of Commissioners approved Resolution #41-11 authorizing the SMRSA to conduct a sale of SMRSA owned property no longer needed for public use through the Division of Local Government Services' approved internet-based vendors for on-line auction of surplus property. The surplus property was listed on the govdeals.com website from July 18, 2011

through and including August 1, 2011. Mr. Ruppel reported to the Board the on-line auction was very successful and generated more than \$10,000 for the Authority.

Local Government Energy Audit:

Mr. Ruppel reminded the Board of Commissioners of Resolution #38-10 whereas the Executive Director was authorized to apply and participate in the New Jersey Local Government Energy Audit Program. He reported that the SMRSA had received authorization from the State to solicit Request For Proposals for the SMRSA Energy Audit. Request For Proposals have been prepared and sent to all New Jersey Department of Treasury prequalified audit firms. Solicitations must be received by SMRSA no later than Friday, September 2, 2011. The selected firm will work with the SMRSA and TRC Energy Services to ensure all requirements of the Program are met.

Confined Space Rescue Drill:

On July 28, 2011, the SMRSA conducted a joint confined space rescue drill with Wall Township, West Belmar Fire Company, District 3. Mr. Ruppel reported that the drill was very successful and that he plans to have SMRSA staff involved in these types of drills with other township fire/rescue companies in the future.

**PUBLIC PORTION:**

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

**ADJORNMENT:**

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