

**SOUTH MONMOUTH REGIONAL SEWERAGE AUTHORITY
MINUTES - CAUCUS MEETING – FEBRUARY 10, 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, February 10, 2011.

Moment of Silence and Salute:

Led by Chairwoman Burne.

Announcement:

This meeting was called in accordance with the provisions of the Open Public Meetings Act, and that an announcement of the same was mailed to the Asbury Park Press, the Star Ledger and the Coast Star; and to the Clerks of our member municipalities on February 12, 2010. The minutes of this meeting will be available after Board approval at a subsequent meeting.

CHAIRMAN

Chairwoman Burne acknowledged Commissioner Mattia's re-appointment as Commissioner for the Borough of Spring Lake for a new 5-year term.

LEGAL COUNSEL

Mr. Bonello swore in Mr. Michael Mattia as a SMRSA Commissioner for the Borough of Spring Lake.

Roll Call:

Present:

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

Mr. Bonello, Mr. Bujak, Mrs. Brophy, and Mr. Ruppel.

EXECUTIVE DIRECTOR'S REPORT:

REORGANIZATION:

During the Regular Meeting, the Authority conducted its annual reorganization. Mr. Ruppel reviewed the agenda items that concerned the SMRSA Reorganization, which included the nominations for the 2011 SMRSA Officers from the Nominating Committee as follows:

- Chairman, E. Gene Cory
- Vice Chairman, Robert R. Blasi
- Secretary, Kevin Lynch
- Treasurer, Ken Farrell
- Assistant Secretary, Michael Ruppel

Additional reorganizational appointments, adoptions and awards were as follows:

- Appointment of the 2011 Committee Assignments
- Adoption of the Scheduled Meeting Dates for 2011 – 2012
- Adoption of 2011 Official Depositories
- Adoption of 2011 Official Signatories
- Adoption of 2011 Official Newspapers
- Awards for Professional Service Contracts as proposed by the Human Resources Committee.

BUSINESS:

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

Commissioner Ethics Training Requirement:

Mr. Ruppel informed the Board of an Elected/Appointed Official's Ethics Seminar scheduled for February 24, 2011 at the Wall Township Municipal Complex beginning at 7:00 p.m. He encouraged all Commissioners who can to attend the Seminar as their attendance ensures that the Authority will continue to receive the insurance discounts as it has in the past (1/2 of 1% premium reduction for excess public officials/employment practice liability coverage and a reduced deductible from \$100,000.00 to \$50,000.00).

Status on QPA Certification:

Mr. Ruppel recognized Mr. Bernard Bujak for successfully completing all professional and educational requirements to earn a Qualified Purchasing Agent Certificate. As a result of Mr. Bujak becoming a certified QPA, the Authority has the ability to increase both the bid and quote thresholds to the maximum amounts permitted by state statute. Two resolutions have been placed on the Regular Meeting Agenda for Board consideration; the first to appoint Mr. Bujak as the Authority's QPA and the second to amend the purchasing limitations for those contracting units with a designated QPA.

Cash Management Plan:

Over the years, the Authority has developed and implemented a Cash Management Plan that is consistent with the New Jersey Fiscal Affairs Law. The intent of the planning is to provide that decisions made with regard to deposits and permitted investments will be completed to ensure the safety, liquidity and the maximum investment return of public funds within such limits.

With changes to fiscal affairs laws and economic environments, the Authority over time has made minor additions and changes to the Cash Management Plan. The law requires the Authority submit to its Board of Commissioners for approval a single and comprehensive guidance document for staff to utilize. A resolution has been placed on the Regular Meeting Agenda for Board consideration to approve the Authority's updated and current Cash Management Plan.

RFEI Solicitation Status:

The RFEI solicitation process for engineering services is progressing. The Authority received 25 Expressions of Interest, with an ongoing review of those submittals by the Executive Director. The Engineering Committee has agreed to several tentative dates to follow through with the short-listing, interviewing and final rating of candidates.

Sewer Revenue Bonds Series 2011:

Mr. Ruppel advised the Board that subsequent to SMRSA's Special Meeting of January 12, 2011, the Authority completed its pre-closing process and signed all necessary and required documents on Friday, January 21, 2011. After a cursory review by the engaged county professionals, the aggregate principal amount of \$9,435,000 (consistent with SMRSA Resolution # 09-11) was deposited into the Authority's trustee account maintained at U.S. Bank.

This infusion of cash, while having minimal short-term and no long-term impact on user rates will primarily be used for outfall repair and maintenance, and the rehabilitation of the Pennsylvania Avenue Pump Station.

Summary of 2010 Co-Generation Operations:

In 2010, the Authority commissioned its Co-generation Facility wherein both electrical and thermal energies are being produced from methane gases that are generated on-site in the anaerobic digestion facilities. Once converted the energies are then utilized on-site to reduce the overall cost of operations.

Mr. Ruppel reviewed with the Board of Commissioners a table, which demonstrated that the Authority offset its third-party dependency on electric by 54% resulting in a cost savings of \$212,159.00 while only utilizing 61% of the co-generation system during the past 10 months.

Mr. Ruppel reported that despite recent weather conditions, fieldwork at the Sea Girt Pumping Station continues to proceed as scheduled. The project completion date remains consistent with the original schedule.

The work completed by the Authority on behalf of Sea Girt has been completed on time and under budget. Staff will be preparing an invoice for reimbursement per the terms of our inter-local agreement.

Feedback received from the residents of Sea Girt surrounding the project area has been positive and complimentary. Our contractor, staff and engineer have and continue to do an excellent job with regard to public relations.

ATTORNEY'S REPORT:

Mr. Bonello reported that he has been in communication with Mr. John Hall, Counsel for the Coastal Dischargers Group, regarding the outcome from a settlement conference held in December for the purpose of resolving identified issues in the NJPDES permit appeal.

BUSINESS:

- Reorganization
 - Appointment of 2011 Authority Officers
 - Appointment of 2011 Committee Assignments
 - Adoption of 2011 Scheduled Meeting Dates
 - Adoption of Official 2011 Depositories
 - Adoption of Official 2011 Signatories
 - Adoption of Official 2011 Newspapers
 - Adoption of Cash Management Plan
 - Adoption of amended Sewer Extension Application Review Fee
 - Award of Professional Services Contracts
 - Auditor
 - Legal Counsel
 - Bond Counsel
 - Risk Mgmt Consultant
 - Laboratories Services
 - I&M Specialty Services
 - I/T Services
- Adoption of Cash Management Plan
- Adoption of amended Sewer Extension Application Review Fee
- Resolution recognizing Ray Horner for exemplary services
- Resolution recognizing Timothy Timbrook for exemplary services
- Resolution appointing Bernard Bujak as Qualified Purchasing Agent (QPA)
- Resolution amending the SMRSA established purchasing limitations

PUBLIC PORTION:

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

A motion was made by Commissioner Mattia and seconded by Commissioner Nicol 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 Lynch seconded the motion. On voice vote, all Commissioners voted aye.



Michael J. Ruppel, Executive Director

March 10, 2011

Date