

**SOUTH MONMOUTH REGIONAL SEWERAGE AUTHORITY
MINUTES - CAUCUS MEETING – MAY 9, 2019**

CALL TO ORDER:

The Caucus Meeting of the South Monmouth Regional Sewerage Authority was called to order at 6:00 p.m. on Thursday, May 9, 2019.

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 Clerks of our member municipalities; and to the Asbury Park Press and the Coast Star on February 15, 2019. The minutes of this meeting will be available after Board approval at a subsequent meeting.

Roll Call:

Present:

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

Mr. Bonello, Mr. Bujak, and Ms. Chesko.

Excused:

Mr. Krause, Mr. Timbrook

Arrived at 6:15 p.m.

Commissioner Mattia

ATTORNEY’S REPORT:

Mr. Bonello reported he reviewed and discussed with Mr. Bujak bids recently received for the Pump Station Upgrades Project. It is his recommendation that all bids be rejected due to their submitted project costs which were higher than the Engineering Estimate for this project. A resolution has been placed on the Regular Meeting Agenda for Board of Commissioners consideration and approval to reject these bids.

EXECUTIVE DIRECTOR’S REPORT:

Outfall Access Chamber Project:

Mr. Bujak reported the Outfall Access Chamber Project is substantially complete, the contractor is in the process of obtaining the required maintenance bonds. Once the bonds are received the Authority will officially close-out the project.

SMRSA Pump Stations Upgrade Project:

Mr. Bujak reported ten (10) bids were picked-up for the Pump Station Upgrade Project. On May 7, 2019 four (4) bids were received and read aloud. The apparent lowest responsible bid was received from DeMaio Electrical Company at \$2,706,000.00 and the highest responsible bid was received from Walsh Construction at \$4,300,000.00. All bids received exceeded the Engineer’s Project Cost Estimate (\$1,774,500.00) and the Authority’s available funds for the project. Staff agreed that all bids

received were not reasonable, competitive nor did the Authority receive a fair price to complete the project. Due to these circumstances, the Local Public Contracts Law allows the Authority to reject all bids based upon the budgetary project allowance and being in excess of the Engineer's Project Estimate. Mr. Krause and Ms. Chesko will be meeting with the Consulting Engineer, Mott MacDonald next week to review the design and determine where changes can be made and costs savings can be realized. A resolution has been placed on the Regular Meeting Agenda for Board of Commissioners consideration and approval to reject all bids and return all bid bonds received for the Pump Station Upgrades Project.

Force Main/Outfall Condition Assessment Plan:

Mr. Bujak reported that progress continues regarding the Outfall Assessment Plan. A meeting has been scheduled with staff and the Consulting Engineers, CDM Smith, Inc. next week to discuss different technologies as well as costs and benefits to the Authority.

Co-Generation System Upgrades:

Mr. Bujak reported the new Co-Generation Engine continues to operate well and is producing power. Staff has completed preliminary emission testing which went very well. Staff is optimistic the system will pass the emission testing that was re-scheduled by the Department of Environmental Protection Agency (DEP) from early May to late June 2019. The current system Engine Number One is scheduled to be upgraded and delivered to the Authority toward the end of May 2019 with Engine Two delivered approximately 45 days later.

ADMINISTRATION:

2018 Annual Audit:

Mr. Bujak reported the 2018 Annual Audit on-site fieldwork began April 22nd and was completed within 4 days as a result of reports and schedules shared electronically with the Auditor prior to the on-site visit. To date, he stated there are no comments or recommendations and overall it has been a very good audit. Mr. Bujak and the Executive Director, Mr. Krause are currently preparing the Management Discussion and Analysis (MD&A) which is the narrative portion of the Audit in which the Authority demonstrates its transparency and promotes its accomplishments which he believes is the most important document in the Audit. The Audit Firm is determining if there is a need for a "single audit" due to the Authority receiving funds from the Energy Resiliency Bank for the Co-Generation Project.

Collective Bargaining Negotiations:

Mr. Bujak reported that on April 24, 2019 the Authority was informed that a Mediation date has been scheduled for Friday, May 17, 2019 at 10:00 a.m. The Human Resource Committee met on April 25, 2019 to review strategies for this mediation. The Authority's Labor Attorney, Bruce Padula was present at the meeting via phone and it is his opinion that the package offered by the Authority is fair and defensible. The result of the Mediation is non-binding and if the parties cannot agree as a result of the mediation process, the Mediator might suggest a fact-finding process.

Operations/Lab Support Technician:

As previously discussed in recent Finance and Human Resource Committee Meetings, the Authority has a need for an Operations/Lab Support Technician. Mr. Bujak further stated that six-years ago, the Authority instituted an Intern Program for a Lab Technician in which Ms. Kristen Langel of Belmar was selected. Ms. Langel's performance has been exceptional and Kristen has expressed a desire to pursue a career in the Wastewater Industry. In 2017 the Board approved Ms. Langel as a permanent part-time employee of the Authority. Through the budget process, staff has developed a salary range for this full-time Union position within its 2019 Budget. This position was posted and Management determined that Ms. Langel was the most qualified individual. An offer of employment was extended to her which indicated she would begin employment with the Authority on June 24, 2019 at an hourly rate of \$22.54. Her responsibilities will be varied, providing support to the current part-time Lab Technician and also assist the Engineering Department by entering data into the Authority's Asset Management Program and learning basic Operator tasks. A resolution has been placed on the Regular Meeting Agenda for Board of Commissioners consideration and approval ratifying the actions of the Executive Director in hiring Ms. Kristen Langel as an Operations/Lab Support Technician for the Authority.

BUSINESS:

- Resolution to Authorize the Transfer of Funds from the Revenue Fund to the Operating and Payroll Fund for the explicit purpose of payment of all known calendar year 2019 listed bills
- Resolution to Authorize Payment of the Current Month's Construction Project Bills
- Approve the April 11, 2019 Caucus & Regular Meeting Minutes as written
- Resolution Rejecting all Bids for the Pump Station Upgrade Project
- Ratify the Actions of the Executive Director in Offering Full-Time Employment to (current part-time employee) Kristen Langel for the Operations/Lab Support Technician Vacancy.

PUBLIC PORTION:

A motion was made 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 Donovan to close the public portion of the meeting. On voice vote, all voted aye.

ADJOURNMENT:

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