

SOUTH MONMOUTH REGIONAL SEWERAGE AUTHORITY
1235 18TH AVENUE
BELMAR, NEW JERSEY 07719
THURSDAY, OCTOBER 10, 2019
Commencing at 5:45 p.m.

RE:) TRANSCRIPT
) OF
2020 SEWER USE SERVICE RATE) PROCEEDINGS
HEARING)
)

B E F O R E:

- E. GENE CORY, Chairman
- MARY L. BURNE, Commissioner
- JOSEPH C. MAY, Commissioner
- KEVIN LYNCH, Commissioner
- EDWARD DONOVAN, Commissioner
- KEN FARRELL, Commissioner
- MICHAEL MATTIA, Commissioner
- THOMAS B. NICOL, Commissioner
- BERNARD J. BUJAK, CFO & Director of Human Resources
- RYAN R. KRAUSE, Executive Director
- JOHN BONELLO, ESQ., Authority Attorney
- PAUL CUVA, CPA, Authority Auditor
- TIMOTHY L. TIMBROOK, Superintendant

MICHELLE D. WILCOX, C.C.R.

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ORIGINAL

INDEX OF EXAMINATION

WITNESS	DIRECT
PAUL CUVA, C.P.A.	
By: Mr. Bonello	5

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1 CHAIRMAN CORY: The 2020 Sewer Use
2 Service Rate Hearing of the South Monmouth Regional
3 Sewerage Authority is called to order at 5:45 p.m. on
4 Thursday, October 10, 2019.

5 This hearing has been called in
6 accordance with the provisions of the Open Public
7 Meetings Act, in that an announcement of same has
8 been mailed to the Asbury Park Press, The Coast Star
9 and to the clerks of our member municipalities on
10 September 19, 2019.

11 The minutes of this hearing will be
12 available after board approval at a subsequent
13 meeting.

14 Roll call, please.

15 (Whereupon, roll call was taken.)

16 CHAIRMAN CORY: Okay. Thank you. John?

17 MR. BONELLO: Mr. Chairman, I'd like to
18 establish jurisdiction.

19 First I offer into Evidence P-1, which is
20 the calculations of the new sewerage rates.

21 (Whereupon, Municipal Rate Schedule was
22 marked as Exhibit P-1 into Evidence.)

23 MR. BONELLO: P-2 is the actual Notice of
24 the Public Hearing that was published.

25 (Whereupon, Notice of a Public Hearing

1 was marked as Exhibit P-2 into Evidence.)

2 MR. BONELLO: P-3 is the Affidavit of
3 Publication for the Star News Group.

4 (Whereupon, Affidavit of Publication for
5 the Star News Group was marked as Exhibit P-3 into
6 Evidence.)

7 MR. BONELLO: P-4 is the Affidavit of
8 Publication of the notice in the Asbury Park Press.

9 (Whereupon, Affidavit of Publication for
10 the Asbury Park Press was marked as Exhibit P-4 into
11 Evidence.)

12 MR. BONELLO: And P-5 is a copy of the
13 notices that were sent, together with the return
14 receipt green slips, to each municipal clerk of that
15 community.

16 (Whereupon, notices to municipal clerks
17 with Certified Mail Receipts were marked as Exhibit
18 P-5 into Evidence.)

19 MR. BONELLO: And P-6 is a copy of the
20 list of persons who received by fax also notice of
21 this hearing.

22 (Whereupon, fax cover sheet with
23 transaction report was marked as Exhibit P-6 into
24 Evidence.)

25 MR. BONELLO: Based upon these documents,

1 Mr. Chairman, I find that you have jurisdiction to
2 hold the rate hearing.

3 I would like to have sworn in Mr. Cuva.
4 Paul?

5 P A U L C U V A, C P A, was duly sworn and
6 testified under his oath as follows:

7 DIRECT EXAMINATION BY MR. BONELLO:

8 Q. Mr. Cuva, for the record, you've done
9 this a few times, but for this record could you
10 establish your credentials and your qualifications,
11 please?

12 A. Okay. I am a licensed Certified Public
13 Accountant, Registered Municipal Accountant and
14 Public School Accountant in the State of New Jersey.
15 I have been auditing authorities for over 40 years,
16 and municipalities and school boards also.

17 Q. And during that experience factor that
18 you have, did you, in fact, calculate the charges,
19 together with the staff, of the sewer charges to be
20 amended every year?

21 A. Yes, I did.

22 Q. And are you familiar with the criteria
23 that is used pursuant to the Statute N.J.S.A.

24 40:14A-8?

25 A. Yes, I am.

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1 Q. And did you review the books and records
2 and work with the staff to determine what the new
3 sewer charges would be for 2020?

4 A. Yes, we did.

5 Q. I show you what's been marked as P-1 in
6 Evidence and ask if you can identify that for the
7 board, please.

8 A. It is the distribution of the participants'
9 charges for proposed 2020 calendar year and it also
10 shows the proposed sewer rate for 2020.

11 Q. What was the rate for 2019?

12 A. The rate for 2019 was 3,486,000 -- I'm sorry.
13 \$3,486 per million.

14 Q. Okay. And did you compute the rate to be
15 used for 2020?

16 A. Yes, I did.

17 Q. And what is that?

18 A. That is \$3,486.04 per million gallons.

19 Q. What is the percentage change?

20 A. 2.73 percent.

21 Q. Okay. Do you feel that the calculations
22 in the material that you examined --

23 CHAIRMAN CORY: No.

24 COMMISSIONER MATTIA: It's 225.

25 MR. BONELLO: Pardon?

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1 COMMISSIONER BURNE: He's got the wrong
2 figure.

3 MR. CUVA: All right. Let's go back and
4 do it again. Sorry about that.

5 Q. You have in front of you the actual
6 computation and charges?

7 A. Yes, I do.

8 Q. And what was the charge for 2019?

9 A. '19 was \$3,486.04 per million gallons.

10 Q. And did you calculate what would be
11 needed for 2020?

12 A. Yes, I did.

13 Q. And what did you come up with?

14 A. It's \$3,225.36 per million gallons.

15 Q. And what is the percentage change?

16 A. 2.73 percent.

17 Q. Do you feel that this -- your
18 calculations are consistent with the requirements of
19 the statute?

20 A. Yes, I am.

21 Q. And do you feel that the new rate is
22 reasonable and necessary?

23 A. Yes, it is.

24 Q. Do you recommend to the board that they
25 pass a Resolution changing the rate as set forth in

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1 your testimony --

2 A. Yes, I do.

3 Q. -- and the exhibit?

4 MR. BONELLO: Okay. I don't have any
5 further questions.

6 Do any members of the board have any
7 questions?

8 CHAIRMAN CORY: No.

9 MR. BONELLO: I note that there's no
10 members of the public here.

11 So at this point, Mr. Chairman, I believe
12 a Resolution would be appropriate to adopt a
13 new service --

14 CHAIRMAN CORY: We have to close the
15 public portion.

16 MR. BONELLO: Close the public portion.

17 COMMISSIONER MATTIA: I make a motion we
18 close the public portion.

19 COMMISSIONER FARRELL: Second.

20 CHAIRMAN CORY: All those in favor?

21 MULTIPLE COMMISSIONERS: Aye.

22 MR. BONELLO: Okay. There is a
23 Resolution 69-19.

24 Mr. Chairman, do you want to refer to it?

25 CHAIRMAN CORY: Yes.

1 Mary, do you want --

2 COMMISSIONER BURNE: I make a motion to
3 adjourn --

4 CHAIRMAN CORY: No, no, the Resolution.

5 COMMISSIONER BURNE: Okay. I make the
6 motion to adopt the established South Monmouth
7 Regional Sewerage Authority 2020 Sewer Use Service
8 Rate for the treatment of domestic sewage at
9 \$3,225.36 per one million gallons of flow, effective
10 January 1, 2020.

11 COMMISSIONER MATTIA: Second.

12 CHAIRMAN CORY: The motion has been made
13 and seconded.

14 Roll call, please.

15 MR. KRAUSE: Commissioner Burne?

16 COMMISSIONER BURNE: Yes.

17 MR. KRAUSE: Commissioner Cory?

18 CHAIRMAN CORY: Yes.

19 MR. KRAUSE: Commissioner Donovan?

20 COMMISSIONER DONOVAN: Yes.

21 MR. KRAUSE: Commissioner Farrell?

22 COMMISSIONER FARRELL: Yes.

23 MR. KRAUSE: Commissioner Lynch?

24 COMMISSIONER LYNCH: Yes.

25 MR. KRAUSE: Commissioner May?

1 COMMISSIONER MAY: Yes.

2 MR. KRAUSE: Commissioner Mattia?

3 COMMISSIONER MATTIA: Yes.

4 MR. KRAUSE: And Commissioner Nicol?

5 COMMISSIONER NICOL: Yes.

6 CHAIRMAN CORY: Okay. Is there a motion
7 to adjourn?

8 COMMISSIONER BURNE: I make a motion to
9 adjourn.

10 COMMISSIONER MATTIA: Second.

11 CHAIRMAN CORY: Okay. A motion has been
12 made and seconded.

13 All those in favor?

14 MULTIPLE COMMISSIONERS: Aye.

15 CHAIRMAN CORY: Thank you.

16 (Whereupon, the public hearing was
17 concluded at 5:54 in the evening.)

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