

**SOUTH MONMOUTH REGIONAL SEWERAGE AUTHORITY
AGENDA - CAUCUS MEETING – SEPTEMBER 12, 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, September 12, 2019.

Moment of Silence and Salute: Led by Vice Chairman May

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, Donovan, Farrell, Lynch, May and Nicol.

Messrs. Bonello, Bujak, Krause and Timbrook.

Excused: Commissioners Cory and Mattia

ATTORNEY’S REPORT:

Mr. Bonello stated he reviewed with Mr. Krause and Mr. Bujak 2020 Annual Procurement and Service Bid Contracts and per their recommendation a resolution to reject all bids received for the 2020 Equipment Repair and Maintenance Services.

EXECUTIVE DIRECTOR’S REPORT:

SMRSA Pump Stations Upgrade Project:

Mr. Krause reported a pre-construction meeting was held on August 20, 2019 with the construction contractor to kick off the Pump Stations Upgrade Project.

SMRSA and Brick Municipal Utilities Authority Shared Service Agreement:

Mr. Krause reported the Authority has a need for specified services related to lines maintenance and repairs, namely pressure cleaning and vacuuming, and routine closed circuit TV inspection. He stated a resolution has been placed on the Regular Meeting Agenda for Board of Commissioner consideration and authorization for SMRSA to enter into a Shared Service Agreement with the Brick Municipal Utilities Authority BTMUA for these services.

Co-Generation System Upgrades:

Mr. Krause reported all engines have been returned to SMRSA. Staff plans to schedule the start-up of the two engines within the next several weeks. This project is wrapping up once start-up and emissions testing is completed.

Senate Bill 3870:

Mr. Krause stated Senate Bill 3870 would allow municipalities to sell their sanitary sewer collection systems to either another municipality or the private sector. A resolution in opposition of the Senate Bill 3870 has been placed on the Regular Meeting Agenda for Board of Commissioner consideration and approval. He stated the Association of Environmental Authorities (AEA) is very involved in the opposition of this bill and have met with Senator Vin Gopal who is also opposing the Bill.

M Street Property:

Mr. Krause reported the Authority Attorney, Mr. Bonello is working with Wall Township's Attorney Mr. Sean Kean to transfer the M-Street Property to Wall Township. A resolution has been placed on the Regular Meeting Agenda for Board of Commissioner consideration and approval to authorize the Executive Director, Mr. Krause to enter into an agreement with Wall Township for the sale of the property.

ADMINISTRATION:

2018 Annual Audit:

Mr. Bujak reported earlier this week he distributed the 2018 Audit to all Commissioners. The Audit does comply with the Government Accounting Standing Board 75 (GASB75) which was the reason for the delay in the issuance. The 2017 Audited Financial Statements have been restated to properly apply that GASB75 to last year as well. The Finance Committee met on Thursday, July 25, 2019 to review the Audit. Mr. Bujak stated the Authority remains financially stable and strong. The Audit contains an unmodified opinion with no comments or recommendations. Due to GASB75 this year and last year the Authority has incurred and absorbed a liability of approximately \$15,000,000.00, however, despite this the Authority still has a net positive value of \$1,688,000.00. Highlights of this year's audit are as follows:

- The Audit confirms the Authority debt continues to decline.
- The income and expense numbers are fairly consistent to last year.
- The Audit confirms that the Authority has drawn down on its construction funds.
- The Authority's Reserves are reported at approximately \$4,067,000.00 which includes Rate Stabilization, Asset Management, Declining Debt, and its' Pension Liability.
- Mr. Bujak reported the MD&A tells the story of the Authority and is one of the few Authorities that put time and effort into its MD&A.

A resolution has been placed on the Regular Meeting Agenda for Board of Commissioner consideration and approval of the 2018 SMRSA Financial Audit.

2019 Amended Capital Budget:

Mr. Bujak reported when the original Capital Budget was submitted it had two line items entitled "Repairs & Maintenance to Sewer Equipment" and "Major Repairs & Upgrades". During the July 11, 2019 Regular Open Public Meeting the Board of Commissioners approved the Pump Station Upgrade

Project, thereby re-identifying these line items as one project. He stated budget figures have not changed from the original submission of the 2019 Capital Budget. A resolution has been placed on the Regular Meeting Agenda for Board of Commissioner consideration and approval of the 2019 Amended Capital Budget identifying the Pump Station Upgrade Project.

Purchase of a Ford F-150 Truck:

Mr. Krause reported that a resolution has been placed on the Regular Meeting Agenda for Board of Commissioner consideration and approval of the purchase of a Ford F-150 Truck utilizing the Educational Services Commission of New Jersey Cooperative Pricing System. This Truck will replace an older Authority's own Ford Ranger Truck.

Staffing:

Mr. Krause reported two separate resolutions have been placed on the Regular Meeting Agenda for Board of Commissioners consideration and approval ratifying the actions of the Executive Director in hiring two employees; Mr. Zachary W. Doll and Mr. Jesse J. Haines to fill the two Apprentice II vacancies.

Collective Bargaining Negotiations:

Mr. Krause reported there is no update to the Collective Bargaining Negotiations as the Fact-Finding Mediation Session is scheduled for September 16, 2019.

BUSINESS:

- Resolution to Authorize the Transfer of Funds from the Revenue Fund to the Operating and Payroll Funds 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 August 8, 2019 Caucus & Regular Meeting Minutes as written
- Resolution to award the 2020 Contract to Furnish & Deliver Bulk Sodium Hypochlorite
- Resolution to award the 2020 Contract to Furnish & Deliver Magnesium Hydroxide, Thioguard
- Resolution to award the 2020 Contract for the Removal and Hauling of Liquid Sewer Sludge
- Resolution to award the 2020 Contract for Electrical Diagnostic Troubleshooting & Repair Services
- Resolution Rejecting All Bids for the 2020 Equipment Repair, Rental, and Maintenance & Installation Services
- Resolution to Enter into a Shared Services Agreement with the Brick Municipal Utilities Authority for Pressure Cleaning and Vacuuming, and Routine Closed Circuit TV Inspection

**COMMISSIONER'S
COMMENTS:**

PUBLIC PORTION:

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