

SOUTH MONMOUTH REGIONAL SEWERAGE AUTHORITY  
1235 18th AVENUE  
BELMAR, NEW JERSEY 07719  
THURSDAY, JANUARY 9, 2020  
Commencing 5:45 p.m.

RE: PUBLIC HEARING ON 2020 CONNECTION FEE  
RESOLUTION #01-20, ADOPTION OF CONNECTION FEE  
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TRANSCRIPT OF PROCEEDINGS

B E F O R E:

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

BETSY CONDIOTTI, CCR, RPR

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WITNESS	DIRECT
PAUL CUVA, CPA	
By: Mr. Bonello	5

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1                   CHAIRMAN CORY: The 2020 connection fee  
2 hearing of the South Monmouth Regional Sewerage  
3 Authority is called to order at 5:45 on Thursday,  
4 January 9, 2020.

5                   Please stand for a moment of silence,  
6 remembering our troops and first responders.

7                   (Whereupon a moment of silence is  
8 observed.)

9                   CHAIRMAN CORY: Salute.

10                  (Whereupon the Pledge of Allegiance is  
11 recited.)

12                  CHAIRMAN CORY: Okay, the hearing is  
13 called in accordance with the provisions of the Open  
14 Public Meetings Act in that an announcement of the  
15 same has been mailed to the Asbury Park Press, The  
16 Coast Star, to the Clerks of our member  
17 municipalities on December 17, 2019.

18                  The minutes of this meeting will be  
19 available after board approval at a subsequent  
20 meeting.

21                  Can I have a roll call, please?

22                  MR. KRAUSE: Commissioner Burne?

23                  COMMISSIONER BURNE: Present.

24                  MR. KRAUSE: Commissioner Cory?

25                  CHAIRMAN CORY: Here.

1 MR. KRAUSE: Commissioner Donovan?

2 COMMISSIONER DONOVAN: Here.

3 MR. KRAUSE: Commissioner Farrell?

4 COMMISSIONER FARRELL: Here.

5 MR. KRAUSE: Commissioner Lynch?

6 Absent.

7 Commissioner Mattia?

8 COMMISSIONER MATTIA: Here.

9 MR. KRAUSE: Commissioner May? Absent.

10 And Commissioner Nicol?

11 COMMISSIONER NICOL: Here.

12 MR. KRAUSE: Mr. Bonello?

13 MR. BONELLO: Here, present.

14 MR. KRAUSE: Mr. Cuva?

15 MR. CUVA: Here.

16 MR. KRAUSE: Mr. Bujak?

17 MR. BUJAK: Present.

18 MR. KRAUSE: Mr. Krause, I'm here.

19 And Mr. Timbrook?

20 MR. TIMBROOK: Here.

21 CHAIRMAN CORY: Okay. Thank you. John?

22 MR. BONELLO: Thank you, Mr. Chairman.

23 In the first instance I'd like to mark into Evidence  
24 the following documents:

25 As P-1 will be the Notice of Public

1 Hearing for this hearing to amend our connection fee.  
2 That's P-1.

3 P-2 will be the Affidavit of Publication  
4 of the Notice of this hearing in the Asbury Park  
5 Press.

6 P-3 will be the Notice of -- Affidavit of  
7 Publication of the Notice of this hearing in The  
8 Coast Start.

9 P-4 will be copies of the letters with  
10 the Certification and green cards, sending letters to  
11 each of the Clerks of our member municipalities  
12 together with the Notice of the hearing.

13 And P-5 will be the actual letter and  
14 computations of the new connection fee performed by  
15 Mr. Cuva.

16 Based on these documents, Mr. Chairman, I  
17 find that you have the jurisdiction to have the  
18 hearing and I would like to swear in Mr. Cuva.

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

21 DIRECT EXAMINATION BY MR. BONELLO:

22 Q. Mr. Cuva, give us a brief rundown of your  
23 experience and licensing, please?

24 A. Okay, I'm a Certified Public Accountant,  
25 Registered Municipal Accountant and Public School

Direct - P. Cuva, CPA - Bonello

1 Accountant in the State of New Jersey. I've been  
2 doing municipal authority and board of ed audits for  
3 over 40 years.

4 Q. And during that 40 years have you had  
5 occasion to compute the connection fees pursuant to  
6 statute N.J.S.A. 14A-8?

7 A. Yes, I have.

8 Q. And you're familiar with the requirements  
9 of that?

10 A. Yes, I am.

11 Q. Did you, in fact, go through the books  
12 and records of the South Monmouth Regional Sewerage  
13 Authority to determine what the new connection fee  
14 would be?

15 A. Yes, I did.

16 Q. Could you tell the board what you did and  
17 what you found?

18 A. Okay. As I laid out in my letter of January 9,  
19 2020, I took the base amount from the previous  
20 year's calculation of \$57,013,639.95 and I added  
21 what is allowed by statute, the debt service  
22 payments and the capital improvements funded through  
23 operations, which amounted to \$2,437,511.19, which  
24 gave us a total net cost of \$59,451,151.14.

25 That number was then divided by the number of

Direct - P. Cuva, CPA - Bonello

1 Equivalent Dwelling Units that the Authority has,  
2 which was 27,947 (sic) EDUs.

3 MR. KRAUSE: 974.

4 A. 27,974, sorry, EDUs. That resulted in a  
5 connection fee per equivalent unit of \$2,125.

6 Q. And what was the connection fee for last  
7 year?

8 A. \$2,047.

9 Q. Thank you. Do you -- is this figure  
10 consistent with the statute?

11 A. Yes, it is.

12 Q. And is it fair and reasonable and  
13 necessary for the board to amend its fee to reflect  
14 your calculations?

15 A. Yes, it is.

16 Q. Do you recommend to the board that they  
17 pass a Resolution setting the new connection fee of  
18 \$2,125 per unit?

19 A. Yes, I do.

20 MR. BONELLO: I don't have any further  
21 questions. Do any members of the board have any  
22 questions?

23 CHAIRMAN CORY: Any questions or comments  
24 from anyone? No. Please note --

25 MR. BUJAK: Let the minutes reflect that

1 Mr. May has attended. . . .

2 MR. BONELLO: Okay, any members of the  
3 public? I don't see anyone here.

4 CHAIRMAN CORY: No. So we're . . .

5 MR. BONELLO: So I would recommend that  
6 the board consider his recommendation and pass a  
7 Resolution amending the connection fee to \$2,125.

8 CHAIRMAN CORY: Thank you, John. Thank  
9 you, Paul. Motion?

10 COMMISSIONER MATTIA: I move Resolution  
11 01-20, a motion to establish the 2020 connection fee  
12 of \$2,125 per Equivalent Dwelling Unit, EDU,  
13 effective January 10, 2020.

14 COMMISSIONER BURNE: Second.

15 COMMISSIONER FARRELL: I'll second.

16 CHAIRMAN CORY: Okay, motion's made and  
17 seconded. Can I have a roll call, please?

18 MR. KRAUSE: Commissioner Burne?

19 COMMISSIONER BURNE: Yes.

20 MR. KRAUSE: Commissioner Cory?

21 CHAIRMAN CORY: Yes.

22 MR. KRAUSE: Commissioner Donovan?

23 COMMISSIONER DONOVAN: Yes.

24 MR. KRAUSE: Commissioner Farrell?

25 COMMISSIONER FARRELL: Yes.



1 MR. KRAUSE: Commissioner Lynch just came  
2 in.

3 MR. BUJAK: Let the minutes reflect that  
4 Commissioner Lynch is in attendance.

5 MR. KRAUSE: Commissioner Lynch?

6 COMMISSIONER LYNCH: Here.

7 MR. KRAUSE: He's not going to vote.  
8 Commissioner Mattia?

9 COMMISSIONER MATTIA: Yes.

10 MR. KRAUSE: Commissioner May?

11 COMMISSIONER MAY: Yes.

12 MR. KRAUSE: And Commissioner Nicol?

13 COMMISSIONER NICOL: Yes.

14 CHAIRMAN CORY: Okay. Thank you. Is  
15 there a motion to adjourn?

16 COMMISSIONER MATTIA: So moved.

17 COMMISSIONER FARRELL: Second.

18 CHAIRMAN CORY: Motion's made. Second?

19 COMMISSIONER BURNE: Second.

20 CHAIRMAN CORY: Motion's made and second.

21 All those in favor?

22 MULTIPLE VOICES: Aye.

23 (Whereupon the proceeding was concluded  
at 5:51 p.m.)

## C E R T I F I C A T E

I, BETSY CONDIOTTI, a Certified Court Reporter of the State of New Jersey and Registered Professional Reporter, certify that the foregoing is a true and accurate verbatim transcript of the proceedings as taken by and before me on the date and place hereinbefore set forth.

I FURTHER CERTIFY that I am neither attorney, nor counsel for, nor related to or employed by, any of the parties to the action in which this hearing was taken, and further that I am not a relative or employee of any attorney or counsel employed in this action, nor am I financially interested in this case.



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