

**SOUTH MONMOUTH REGIONAL SEWERAGE AUTHORITY
MINUTES - CAUCUS MEETING – MARCH 12, 2020**

CALL TO ORDER:

The Caucus Meeting of the South Monmouth Regional Sewerage Authority was called to order at 6:00 p.m. on Thursday, March 12, 2020.

Moment of Silence and Salute:

Led by 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 Asbury Park Press and the Coast Star on February 14, 2020; and the Clerks of our member municipalities on February 20, 2020. The minutes of this meeting will be available after Board approval at a subsequent meeting.

Roll Call:

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

Messrs. Bonello, Bujak, Krause and Timbrook.

Absent:

Commissioner Mattia

ATTORNEY’S REPORT:

Mr. Bonello reported he reviewed both the Meeting Agenda and Executive Director’s Report with Mr. Krause and Mr. Bujak and did not have anything to supplement it.

EXECUTIVE DIRECTOR REPORT:

SYSTEM

Force Main Break -- Mount Lane – Manasquan:

Mr. Krause reported he has been working with CDM Smith, Inc. and the contractor that will perform actual Force Main and Outfall Condition Assessments to get more specific pricing for the section of pipe that encountered the force main break last month. This pipe runs from the Glimmer Glass Pump Station and intercepts with the Sea Girt PS forcemain at Sea Girt Avenue (approx..5,000 feet of 16 inch ductile). Televising the inside of the pipe would not reveal much because the corrosion is from the outside of the pipe which is the reason to rely on other technology that measures the thickness of the wall. It will be expensive but will end up being a tenth of the cost to replace large sections of the pipe. A rough estimate to have the section of the pipe inspected using the condition assessment tools is \$300,000.00, whereas if you replaced the pipe could cost more than 3 Million Dollars. We also are moving towards the Condition Assessment of the land-based portion of the Outfall pipe. The intent is to determine which sections need replacing and replace only that section. The Condition Assessment Plan completed last year identified the probability of the outfall pipe failing had the highest probability of failure. The recent pipe failure

in Manasquan also had a high probability of failure per the Condition Assessment but because it was one of the smaller pipes it was only affecting a small portion of the SMRSA System, therefore the Consequence of Failure is very low. Mr. Krause also reported the other Force Main that staff is concerned with is the Brielle Force Main that pumps from the Brielle Pump Station to the Glimmer Glass Pump Station. The reason for this concern is due to the pipe being located under the marsh area of Glimmer Glass which is corrosive to the exterior of the pipes.

Pump Station Upgrades:

Mr. Krause reported the Pump Station Upgrades at Wreck Pond Pump Station is progressing. The contract includes an allowance for unforeseen circumstances of which the project is experiencing, (i.e., some bad concrete that the steel ties to could not be reused and some design issues) however, the project continues to move forward.

Wall North Dry Well Piping Replacement:

Mr. Krause stated while the contractor continues to work at Wreck Pond, SMRSA employees are continuing to replace piping in the Wall North Dry Well. Once the contractor completes the upgrades at Wreck Pond, they will move to the Wall North Wet Well and start to address its upgrades.

PLANT

Cogen Resiliency Upgrades:

Mr. Krause reported the Authority has improved its position from last month with its Co-Gen engines. The number 2 engine which was rebuilt for the second time is currently operational and producing both power and heat. The other little Co-Gen engine is scheduled for its second rebuild. It was determined that the wrong pistons were installed causing the excess heat; they are currently being rebuilt under warranty. The 315 engine continues to be inoperable but the necessary parts are expected shortly and will also be repaired under warranty.

Commissioner Cory asked if there were provisions in the contract that the Authority could recover the energy cost while the Co-Gen Engines were inoperable. Mr. Krause responded that there were no provisions within the contract once the Engines were delivered and initially operating which they were. Mr. Bonello stated that if in fact, it was inoperable due to a breach of warranty or defective, the loss or decrease revenue for buying would be an item of lien damages.

Adjacent Property (South M Street):

Mr. Krause reported during the month he had several conversations with the Wall Township Assistant Administrator with regards to the agreement language for the M Street property. He and Mr. Bonello have reviewed the new proposed language which includes a restriction for the Green Acres. He stated that the revised agreement is forthcoming and he will continue to follow up with the Wall Township Assistant Administrator.

Coronavirus:

Mr. Krause reported in regards to the Coronavirus Outbreak, the Administration has initiated plans to keep the Wastewater Treatment Plant operational even in the event any of the Operators are placed under quarantine and staff continues to develop contingency plans for all situations. He

stated in that regard all Monmouth County Treatment Plants are meeting on Monday, March 16, 2020. The discussion will include cross-referencing if one plant is short-handed, the possibility of bringing in another plant's employee to assist in the operations of that plant; initiate a "meet and greet" between Monmouth Country plant operators to familiarize them with each plant and its Operators in the event it is necessary to have the operators fill in at other plants. AEA is also planning conference calls with its members and the industry.

Sick Leave Policy during Coronavirus:

Mr. Krause stated that the State of New Jersey is initiating revised sick leave policies directly relating to the Coronavirus. Employees who are quarantined and possess the documentation that the individual was required to be quarantined, would not be charged 'Sick Time' for the two weeks of being quarantined. He asked the Commissioners if they agreed with following the State's sick leave policy within the Authority to which all Commissioners agreed.

FINANCE/ADMINISTRATION

2019 Financial Audit:

Mr. Bujak reported that recently Mr. Paul Cuva, the Authority Auditor spent a week here at the Authority completing fieldwork for the 2019 Audit. Due to the use of technology, and his time spent at the Authority the Audit is 80% complete. He stated again as with last year there may be a delay in completing the Audit due to acquiring State provided financial reporting on pensions and post-employment benefits. He has reached out to Pensions & Benefits with their response being "Still not able to supply a release date as they are working with actuarial issues with the June 30, 2019 numbers." Last year the Audit was 95% complete except for those liability figures were not received timely from Pension and Benefits but once figures were received the Authority was able to file on time and received the approval of the 2018 Audit. At this time, there are no comments from Mr. Cuva regarding the fieldwork, reports or analysis and he is of the position that the Authority will have an audit with no comments once again.

Procurement Card with FIA Services:

Mr. Bujak reported the Authority has for several years held a Capital One Procurement Card. Staff used the procurement card for events, small-dollar amount transactions, and Capital One was the State approved vendor when the Authority applied for its Procurement Card. Capital One has lost the State contract and has decided to close the SMRSA account effective March 21, 2020. The Authority would like to replace this card with the current State approved vendor FIA Services, N.A.; a division of Bank of America. A resolution has been placed on the Regular Meeting Agenda for Board of Commissioners consideration and approval rescinding Resolution #76-07 and authorizing a Procurement Card with FIA Services, N.A. Staff will continue to follow the same policies and procedures as used with the former Capital One Procurement Card.

Federal General Services Administration (GSA) Pricing Program:

Mr. Bujak reported that over the past year the Authority has been successful in saving its end users money by participating in national co-ops and regional purchasing programs. The Authority is also eligible to participate in the Federal General Services Administration (GSA) Pricing Program. Participation in the GSA Program comes with limitations in the respect that if a vendor is on the GSA Contract as well as the State Contract staff is obligated to purchase through the State

Contract. However, there are some vendors that the Authority may potentially use that are on the Federal Schedule and are not on the State Contract. Participation within the GSA Program will save the Authority money as there is no need to develop bid specifications or going through the bidding process. A Resolution has been placed on the Regular Open Public Meeting Agenda for Board of Commissioners consideration and approval authorizing the Authority to participate in the Federal General Services Administration (GSA) - Federal Supply Schedule System.

Charles E. Willever Retirement:

Mr. Bujak reported a resolution has been placed on the Regular Open Public Meeting Agenda acknowledging Mr. Charles E. Willever for Exemplary Performance and Dedication to the South Monmouth Sewerage Authority for thirty-seven and a half years of service and to wish him a long and happy retirement. Charles last official day of work will be March 31, 2020, as he will become a Retiree of SMRSA on April 1, 2020. Mr. Bujak stated Mr. Timbrook, Mr. Krause and himself are meeting to discuss the transition with Charlie leaving.

BUSINESS:

- Resolution to Authorize the Transfer of Funds from the Revenue Account to the 2019 Operating Account
- Resolution to Authorize the Transfer of Funds from the Revenue Account to the 2020 Operating/Payroll Accounts
- Resolution to Authorize Payment of the Current Month's Construction Project Bills
- Approve the February 13, 2020 Caucus & Regular Meeting Minutes as written
- Resolution authorizing application for a New Jersey State Approved Bank of America Procurement Card
- Resolution authorizing participation in the US General Services Administration - Federal Supply Schedule System
- Resolution acknowledging Charles Willever for Exemplary Performance and Dedication to the SMRSA for 37-1/2 years of service

PUBLIC PORTION:

It was moved 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 Cory to close the public portion of the meeting. On voice vote, all voted aye.

ADJOURNMENT:

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