

SOUTH MONMOUTH MUNICIPAL UTILITIES AUTHORITY
MEETING MINUTES
November 3, 2011
9:30 AM

The South Monmouth Municipal Utilities Authority members met in the Wall Township Municipal Building Meeting Room on November 3, 2011. Present were Chairman Bryan Dempsey representing the Borough of Spring Lake, Vice Chairman Kevin Thompson representing the Borough of Sea Girt, Thomas Nolan representing the Borough of Brielle, Art Herner representing the Borough of Spring Lake Heights and Executive Director Joseph Verruni representing Wall Township. Also present were attorney Mark Kitrick, attorney John Cantalupo, CFO Steve Mayer, NJWSA Director of Finance and Administration Beth Gates, NJWSA Manager Paul McKeon and NJWSA CFO Mike Citarelli. Wall Township Assistant Administrator Kate Kohri was also present.

The meeting was called to order by Chairman Dempsey.

Chairman Dempsey called for a moment of silence followed by the Salute to the Flag.

Chairman Dempsey read the Open Public Meeting notice.

Roll-call was taken by Phyllis Heinle.

Chairman Dempsey called for a motion to approve the September 1, 2011 Meeting Minutes. Tom Nolan made a motion to approve the minutes and Kevin Thompson seconded the motion. All being in agreement, Chairman Dempsey declared the minutes approved.

Chairman Dempsey called for a motion to approve the October bill list totaling \$204,427.00.

Art Herner made a motion to approve the October bill list.

Joseph Verruni seconded the motion and upon roll-call the members voted as follows:

Bryan Dempsey	Yea
Kevin Thompson	Yea
Joseph Verruni	Yea
Thomas Nolan	Yea
Art Herner	Yea

There being 5 yeas and no nays, Chairman Dempsey declared the bill list approved.

Chairman Dempsey called for a motion to approve the November bill list totaling \$205,477.00.

Art Herner made a motion to approve the bill list.

Tom Nolan seconded the motion and upon roll-call the members voted as follows:

Bryan Dempsey	Yea
Kevin Thompson	Yea
Joseph Verruni	Yea
Thomas Nolan	Yea
Art Herner	Yea

There being 5 yeas and no nays, Chairman Dempsey declared the bill list approved.

Joseph Annecharico of Patriot Consulting Group gave an overview of the final report on the management study he prepared after meeting with each of the board members as representatives of each municipality and also the water superintendents, water operators and billing personnel. The goal of the study was to find out where efficiencies could be realized and where services could be shared and expenses reduced.

The possibility of using one licensed operator for all five towns was discussed and the potential savings achieved for each town. Joe Verruni mentioned other towns such as Belmar and Lake Como using the same operator. Joe Annecharico pointed out that because they are not part of the authority they might need a separate interlocal agreement.

Beth Gates made the budget presentation for the CY2010 budget and introduced the 2012 budget. For CY2010 there was a positive budget variance of \$355,000, due to costs of chemicals and electricity. Ms. Gates suggested that of the \$355,000 positive variance for 2010, \$270,000 be applied to the CY2012 budget and \$85,000 be deposited in the capital improvement fund.

Paul McKeon discussed the sludge lagoon and finished water storage project.

John Cantalupo said in December they would go before the LFB for bond financing for this project at 0% interest. This should be the last time they would need to apply for bond financing.

Ms. Gates said contract treated water amounts in 2010 were exceeded by Wall and Spring Lake for a total of \$22,000, which could be paid to SMMUA and included in the 2012 budget.

Art Herner suggested there should be an official format for requesting more water.

Ms. Gates advised Mark Kitrick that a budget introduction resolution would be needed and then they could have the budget hearing and adoption. If the board agrees to do so, a resolution granting permission to transfer the \$85,000 of the \$355,000 positive variance into the capital improvement fund between now and the close of the year would be needed.

Chairman Dempsey called for a motion to introduce the budget FY 2012.

Tom Nolan made a motion to introduce the budget FY 2012.

Kevin Thompson seconded the motion and upon roll call the members voted as follows:

Bryan Dempsey	Yea
Kevin Thompson	Yea
Joseph Verruni	Absent
Thomas Nolan	Yea
Art Herner	Yea

In old business, Art Herner brought up previous problems with the ozone project contractor and Chairman Dempsey asked about the settlement negotiations. Beth responded that they gave Worth a bottom line number and have gotten verbal assurance they would be fine.

Tom Nolan suggested that rather than penalize anyone they could offset the \$22,000 with some of the 355,000 positive variance and make adjustment somewhere else in the budget. Beth agreed or they could as a group forget it happened. Paul McKeon would look into the situation to see how the overdraft resulted.

Tom Nolan suggested that the two water sewer operator members of the board be designated as a subcommittee to put together some specifications, so that by January they could consider going out for joint purchasing of chemicals, repairs, etc. of things they share. Chairman Dempsey said the subcommittee would consist of Art Herner and Kevin Thompson.

Tom Nolan made a motion to form the subcommittee and Bryan seconded the motion. All being in agreement the subcommittee was formed.

In new business, Paul McKeon said the reservoir was just below average in October and has gone up in November. In November 99% of the contracted amount was delivered to the towns. There was from \$55,000 to \$60,000 in damage from the hurricane due mostly from JCP&L wires and trees coming down. They have applied to FEMA for reimbursement.

There being no public comment and no further business, Chairman Dempsey made a motion to adjourn and was seconded by Kevin Thompson.

All being in agreement, the meeting was adjourned at 10:30 AM.