

WANAQUE VALLEY REGIONAL SEWERAGE AUTHORITY

**INTERIM EXECUTIVE DIRECTOR’S REPORT**

**April 22, 2020**

The past several weeks has presented us with challenges both personally and professionally that we couldn’t have imagined a few short months ago. I’d like to thank the staff and professionals of the WVRSA for their dedication and hard work during this time of crisis and transition. Senior staff and authority professionals have been in constant contact, including a weekly video conference meeting, to ensure a continuity of service in a safe working environment. A brief summary of Covid 19 related activity and staff transition activity is provided below. Supplemental information will be provided by staff and professionals as noted.

**COVID 19 RELATED ACTIONS**

I am pleased to report most of the actions/projects outlined in my email to the Board of Commissioners dated May 27 have been completed or are well underway. 12-hour shifts, along with extreme social distancing and cleaning protocols remain in place. A new locking system has been installed in the Administration building. Work on security improvements to the front gate are underway and should be completed soon (Superintendent of Operations Steve Willson will be providing an update as part of his report). Upgrades to the SCADA system software to allow for remote systems monitoring are underway and should be completed for the main plant systems shortly. Radio communication systems to allow for remote monitoring of the Haskell pump station are delayed for a few weeks awaiting delivery of equipment. As these projects were not anticipated at the time the FY2020 budget was adopted we have had to defer several projects as noted in the table below.

FY 2020 Budget Capital Projects		Status	Actual \$
Micro Screen Wheel Assemblies (1)	\$ 24,800	Price quotes solicited; Order placed 1/16/20	\$ 22,865.00
Sequential Composite Sampler	\$ 10,000	Equipment delivered and in use.	\$ 12,749.28
New Pickup w plow assembly	\$ 30,000	Authorizing Resolution December 17, 2019; Order placed; Truck available at dealer, delivery delayed as result of Covid 19 staff issues;	\$ 31,512.00
Major repairs to Effluent Building	\$ 20,000	<b><i>Defer to fund Covid related projects</i></b>	

Overhead Door Replacements	\$ 20,000	Price quotes secured. Purchase order in process	\$ 5,666.00
Improvements to summer aeration system	\$ 30,000	<b>Defer to fund Covid related projects</b>	
RAS pump repairs	\$ 5,200	<b>Defer to fund Covid related projects</b>	
<b>TOTAL BUDGET</b>	<b>\$ 140,000</b>		

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EXPENDED YTD \$ 72,792  
**BALANCE AVAILABLE \$ 67,208**

<b>Covid-19 and other security projects</b>	
Lock Upgrades	\$ 12,564.42
Administrative Computer Upgrades	
Laptops for Steve and Liz	\$ 2,350
4 replacement desktops	\$ 3,200
SCADA Upgrades	
Server Replacement	\$ 1,125
Software, cell router, antenna	\$ 30,500
UV Light Supply and Screen	\$ 10,000
<b>Revised Balance</b>	<b>\$ 7,468.30</b>

**MANAGEMENT TRANSITION ACTIONS**

The team from Chapman Environmental Services has been moving through a review and analysis of plant operation and of the operations related to our contract service to remote plants. I have asked them to report on the following at Wednesday's meeting:

- Discharge permit renewal

- Lab recertification
- Lab responsibilities/duties
- Remote plant operations and cost of service

***DASHBOARD REPORTS – Mid Fiscal Year 2020***

**SEPTAGE HAULERS (Tables and Charts - Report Pages DB1 – DB29)**

Revenue for March increased 22% over February and 46% as compared to March 2019 despite lower month over month revenue from our largest hauler (Zuidema). Year to date revenue is up almost 20% over the same period in fiscal year 2019 and is currently tracking approximately \$10,000 more than anticipated on an annual basis. The annual projection may be somewhat low in that it is based on average monthly figures for the first six months which are historically low due to the drop in winter activity. Septage truck volume correspondingly is up 25% in March as compared to February and 24% as compared to March 2019. While the increase in truck/septage volume has had a positive revenue effect it has also been a significant contributor to increased sludge volume (see below) and the attendant higher costs.

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***DASHBOARD REPORTS – Mid Fiscal Year 2020 continued***

**SLUDGE DISPOSAL (Table and Charts - Report Page DB30)**

Sludge production in March increased nearly 30% (81,000 gallons) as compared to February and more than 31% as compared to March 2019. The increase in volume is largely attributable to an increase in septage hauler traffic at the plant and complicated by a clarifier malfunction (which has been repaired – additional detail will be provided by staff and professionals at the April 22 meeting). Through mid-year, sludge volume is up more than 12% as compared to the same period in FY 2019. As you may recall sludge hauling and disposal are one of our largest cost centers accounting for 8% (\$335,000) of the Authority’s FY 2020 budget. We will continue to monitor these costs closely as we move into the second half of the fiscal year.

**PLANT FLOW (Table and Charts – Report Page DB31)**

Average daily flow for the first six months of FY 2020 continues to run less than for the comparable period in FY2019 but consistently above the 1 mgd level. Average daily flow for March at 1,190,000 million gallons per day increased 14.4% from February levels. We again reached out to the Borough of Wanaque for an update on the flow monitoring that they had proposed when we met last July. Unfortunately, we have not yet heard back from Borough officials. We are required to provide an update on our Capacity Assurance Plan to the NJDEP by June 30, 2020. This update is largely dependent on information we must glean regarding infiltration and inflow into the Borough’s collection system.

**ELECTRICITY COST (Tables and Charts – Report Pages DB32 – DB35)**

Costs through mid-fiscal year are more that 33% lower than for the same period in FY 2019. With overall consumption down approximately 10% most of the reduction in the current fiscal year is clearly attributable to the correction in the billing problem found last year. Current fiscal year costs are roughly flat as compared to the six-year average of costs at mid fiscal year. At current spending levels electric costs are tracking on target to the \$250,000 FY 2020 budget.

**BANK RECONCILIATION (Table and Charts – Report Page DB36)**

End of month bank account reconciliation reports for March were not available as of this writing (4/16). Cash levels at the close of February (\$4,484,710) were 23% higher than in February 2019 and higher than levels in February 2016-2018. A March update will be provided once we have received all account statements.

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***DASHBOARD REPORTS – Mid Fiscal Year 2020 continued***

**FY S&W (Table and Charts – Report Pages DB37-DB38)**

Payroll costs through 14 of 26 payrolls are running within budget with a projected year end (at the current rate of expenditure) \$26K under the FY2020 S&W budget of \$950K.

**OVERTIME & SHIFT DIFFERENTIAL (Table and Charts – Report Pages DB39-DB51)**

Overtime pay through 14 of 26 payrolls continues to track over budget largely as the continued result of staffing shortages throughout this year. The significant spike in overtime cost in payroll 14 (\$6,268 v. average payroll of \$3,056) is attributable largely to the overlap that occurred during the migration from standard 8-hour scheduling to the Covid-19 related 12-hour scheduling. While we do anticipate overtime costs moving forward to be higher based on the 12-hour scheduling, we do anticipate a reduction from the payroll 14 spike. Shift differential costs continue to track on budget, however we do anticipate an uptick in costs moving forward as a result of the 12-hour scheduling.

**INTERIM ADMINISTRATOR (Table and Charts – Report Page DB52)**

A total of 280 hours has been worked through April 17, 2020. At the current trajectory, year end costs are tracking approximately \$2,300 over the FY 2020 \$45,000 budget. The higher year end cost projection is the result of the significant increase in hours over the last several weeks resulting from issues related to our Covid-19 response and to transition to our new management team. Hours should decrease over the next few months increasing again when we approach budget preparation later this summer.