

WANAQUE VALLEY REGIONAL SEWERAGE AUTHORITY

**INTERIM EXECUTIVE DIRECTOR'S REPORT**

**For the meeting of**

**January 23, 2019**

**BEAST 2 INSTALLATION**

In order to bring the site work costs under the bid threshold (and thus reduce site prep lead time be several months) we had to scale back the concrete work and eliminate the bollard installation (which we will now do in house). We had expected work to begin this week but the weather has obviously not cooperated. Giselle will provide a full update at Wednesday night's meeting. anticipated in January

**PROFESSIONAL SERVICES REQUEST FOR PROPOSALS (RFP) FOR 2019**

Responses to the Authority's Request for Proposals for the following professional services were opened on January 17. Proposals for the following positions were received.

Legal Counsel

*Huntington Bailey LLP, Westwood, NJ*

Auditor

*Ferraioli, Wielkotz, Cerullo & Cuva, Pompton Lakes, NJ*

Engineer

*Boswell Engineering, South Hackensack, NJ*

*Suburban Engineering, Flanders, NHJ*

*H2M Associates, Inc, Parsippany, NJ*

Bond Counsel

*Hawkins, Delafield & Wood, Newark, NJ*

*Waters, McPherson, McNeill, Secaucus, NJ*

*Winne Banta Basaralian & Kahn PC, Hackensack, NJ*

Risk Management Consultant

*D&H Alternative Risk Solution, Newton, NJ*

The responses are on file in my office if you would like to review them. A review matrix will be provided well in advance of the February Re-Organization meeting.

**PERSONNEL**

With the retirement of our Superintendent of Operations set for mid-2020 and the need to find a permanent solution to the Executive Director position, it is not too early to begin discussion of a transition. I will be requesting a meeting of the Personnel Committee in February to begin the conversation.

**WVRSR ENTRANCE ROAD**

As per the discussion at last month's meeting, Boswell Engineering inspected the condition of the Authority's entrance roadway. A copy of the email regarding same is attached for your reference. Obviously, no funds were appropriated in the FY 2019 for this project. We can discuss further at Wednesday's meeting.

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| <b><i>DASHBOARD REPORTS</i></b> |
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**SEPTAGE HAULERS (DB1 – DB29)**

Septage hauler revenue for December 2018 remained largely consistent with December revenue for prior years. Unfortunately, however, year to date revenue remains down considerably (16.7%) as a result of plant closures necessary due to consistently high flows driven by wet weather conditions. At the close of the first quarter of FY 2019-year end revenues are projected to fall short of the budget target of \$825,000 by more than \$40,000. Our ability to recover the lost revenue will be driven largely by weather conditions for the balance of the fiscal year. On a positive note revenue from our largest volume hauler, Zuidema, Inc., is up more than 50% over the same period for FY 2018.

**SLUDGE DISPOSAL (DB30)**

Sludge disposal volume for December dropped 15.6% as compared to November and 22.6% as compared to December of 2017. Year to date sludge disposal is now down 4.5% as compared to the first quarter of FY 2018.

***DASHBOARD REPORTS (continued)***

**PLANT FLOW(DB31)**

Average daily flow, while down from December, remained at a historically high rate of over 1.4 MGD driven by continued wet weather patterns and the resulting high-water table. As discussed last month we will be seeking to work with the Borough to determine how best to address the issue of infiltration and inflow. The sustained high flows continue to have a negative impact on plant operations, expenses and revenues.

**ELECTRICITY COST(DB32 – DB35)**

Through the first quarter of FY 2019 electric costs, driven largely by higher usage resulting from historically high plant flows, was up 39% from the first quarter of FY 2018. On the current trajectory year end costs will exceed funds appropriated by more than \$60,000

**BANK RECONCILIATION(DB36)**

The total cash balance at the end of December was at the high point for the fiscal year at \$3.5M, up more than 16% from the December close in 2017.

**FY S&W(DB37-DB38)**

Through the first quarter of FY 2019 overall payroll costs are running 11% over the budget appropriation of \$913,000. The figure and resulting higher year end projection is skewed, however, by the annual sick time buyout paid in December. Budget tracking should continue to level off as the Fiscal Year proceeds.

**OVERTIME & SHIFT DIFFERENTIAL(DB39-DB49)**

Overtime expenses through the first 8 payrolls of the fiscal year are running approximately 20% (\$3,600) above the level for the same period last year driven almost entirely by the higher cost of holiday overtime in the 4<sup>th</sup> and 5<sup>th</sup> payroll. In past years many employees chose to earn compensatory time for holiday pay but chose actual OT pay in this fiscal year. Shift differential costs for the year are tracking on target to the budget of \$45,000.

**INTERIM ADMINISTRATOR**

A total of 74 hours was worked in in the first quarter of FY 2019 (median = 4 hours /week; \$380/week) and, at current level of work, are projected to end the year at less than 50% of the \$50K budgeted.