

WANAQUE VALLEY REGIONAL SEWERAGE AUTHORITY

**INTERIM EXECUTIVE DIRECTOR'S REPORT**

**For the meeting of**

**July 27, 2016**

**OXIDATION DITCH CLEANING**

Work was completed on the cleaning of oxidations ditches #2 and #3 earlier this week. A preliminary estimate indicates a total of 225.5cubic yards of material were removed at a cost of \$67,424.50 (unit price of \$299/cubic yard). Since we have not received, nor has Boswell reviewed a final bill for the work, we have allowed for a total of \$75,000 in the Change Order Resolution on next Wednesday's agenda.

**FY 2017 BUDGET**

With the end of the fiscal year fast approaching, it is time to begin discussions of the Authority's FY 2017 budget. I would recommend a meeting of the Finance Committee in August to discuss preliminary figures and any targets/goals the Committee may establish with the target of budget introduction at the September meeting and adoption at the October meeting.

<p><b><i>DASHBOARD REPORTS</i></b></p>
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**SEPTAGE HAULER MONTHLY REPORT**

Through three quarters of FY 2016, year to date revenue remains in a deficit position measured against both FY 2015 year to date (down \$55K, 8.3%) and FY 2016 budget target of \$900K (current revenue figures extrapolated to year's end result in a projected deficit off approximately \$90K). The two largest haulers by volume, Zuidema and Coppola, account for nearly ¾ of the deficit. Revenue from Zuidema through three quarter of the fiscal year is off \$33,463 from the same period last year while Coppola is off \$6,051 for the same period.

**UTILITY TRACK MONTHLY REPORT**

Some good news and some bad news:

GOOD NEWS: June consumption is down considerably (36%) from May.

BAD NEWS: Overall FY 2016 year to date consumption remains 20% higher than for the same period in FY 2015 and we still have not identified a major cause of the increase. The increase in consumption has translated into a 31% increase in cost over the same period last year and a deficit against the FY 2016 budget of approximately \$40K. The disparity between the increase in consumption (20%) and the increase in cost (31%) seems to be associated with an increase in JCP&L non-generation charges (analysis attached).

BAD NEWS: The WVRSA plant was not included in last year's NJSEM electric purchasing pool (the Haskell Pump station was included).

GOOD NEWS: Because of a drop in our JCP&L rate (generation portion only) in August 2015, the Authority actually saved approximately \$1,200 (analysis attached).

BAD NEWS: The recent NJSEM bid (in which we were not included) resulted in a generation rate 14% lower than the rate we currently pay JCP&L.

GOOD NEWS: We have been successful in moving our electric service from JCP&L back the NJSEM pool which will result in an annualized savings of approximately \$25K (at current rates of consumption). Thanks to the staff at NJSEM and their consultant Gable Associates for their cooperation in making this change happen. \$25K.

**BANK RECONCILIATION MONTHLY REPORT**

Cash at the end of June was up \$250K (10%) over the close of May at approximately \$2.8M (or just about at the median monthly closeout for the year).

**CANNING REPORT RECOMMENDATIONS TRACKING**

No change from last month however the Personnel Committee and Long Range Planning Committee continue to work on the major recommendations of eliminating the midnight shift and the consideration of bringing sludge hauling in-house. Additionally I am working on the type of schedule modifications recommended in the Canning report with a committee of staff representatives.

**OVERTIME MONTHLY REPORT**

Over time hours and pay through 20 Fiscal Year pay periods continues to trend positively as compared to FY 2015 with overtime hours down more than 8% and overtime pay down more than 15% compared to last year.

**PLANT FLOW MONTHLY REPORT**

Monthly flow for June remained at about the 750,000 gallon level for the third consecutive month down 9.2% from June 2015. Overall calendar year to date flows are 186,409 or 3.7% less than for the same period in 2015 and 13.7% less than the five year average.