

LAKWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

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THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Regular Meeting Minutes

April 11, 2013

- I. Senator Singer opened the meeting at 10:09 A.M. in the Conference Room of the Lakewood Township Municipal Utilities Authority, 390 New Hampshire Avenue, Lakewood, New Jersey.
- II. It was announced that in accordance with Chapter 231, Public Law, adequate notice of this meeting was given and that a notice of this scheduled meeting was filed with the Township Clerk and posted in the Municipal Building in a place accessible to the public and by means of public notices in the Asbury Park Press on February 11, 2013 and The Tri Town News on February 13, 2013.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**
On the roll call the following Commissioners were present: Mr. S. Flancbaum, Mr. Sernotti, Mr. Coles, Mrs. Fish and Senator Singer. Mr. S. Flancbaum was seated as an alternate. The following professionals were present: Mr. Norman Smith, Esq. and Mr. Gerwin Bauer, Jr. Auditor. Mr. Justin Flancbaum, Executive Director, Mr. Paul Morrill, Engineer, Mrs. Nancy Lapa, Secretary and Mr. Robert Farina, Instrumentation Department Supervisor.
- V. **Minutes**
A motion to approve the minutes of the Water Connection Hearing held on March 5, 2013, was made by Mr. Coles and seconded by Mr. Sernotti. On a **voice vote**, all members present voted "**Aye**". **Motion carried.** A motion to approve the minutes of the Sewer Connection Hearing held on March 5, 2013, was made by Mr. Sernotti and seconded by Mrs. Fish. On a **voice vote**, all members present voted "**Aye**". **Motion carried.** A motion to approve the minutes of the Regular Meeting on March 5, 2013, was made by Mr. Sernotti and seconded by Mrs. Fish. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**

Mr. Waxman and Mr. Theibault arrived at 10:11 A.M. Mr. S. Flancbaum is no longer seated as an alternate.

Senator Singer presented a plaque to Mrs. Joy Tabler recognizing her dedication and devotion to the Authority on the occasion of her leaving the Authority and moving down south. She was an excellent worker and will be missed.

Mr. Flancbaum introduced the two new employees to the Board Members, Mrs. Suzanne McGonigle and Mrs. Carole Scrocca. They will be replacing Mrs. Tabler and Mrs. Work.

Mrs. Work will be retiring in June 2013. Senator Singer welcomed the new employees aboard.

VI. Accountant's Report

Mr. Bauer gave all a bound copy of the Audit Financial Statements. It was discussed at last month's meeting. Everything that is required has been submitted to the State.

VII. Engineer's Report

1. Tamarind

- Resolution To Call In Maintenance Bond

In the packet is a letter from the attorney dated March 21, 2013 and also a letter from the Authority dated March 21, 2013. The Authority letter details the punch list items. The Authority's attorney's letter indicates that the Authority will request for the maintenance bond to be called in to take care of these items. Mr. Morrill said that he tried working with the developer. He left the country. Mr. Smith commented that although he asked for a resolution for authorization to call in the bond, the letter was already written. Also, he spoke personally with the adjuster and he is already working on it. Senator Singer asked how much money is needed. Mr. Smith said not much. Mr. Morrill said it is a small punch list item, just to clean up things that have fallen out of repair such as clean out boxes and curb stops that need to be adjusted. Mrs. Lapa read **Resolution # 13-50 Authorizing The Authority To Call In The Tamarind Maintenance Bond**. Motion was made by Mr. Coles, seconded by Mrs. Fish. On **roll call**, all members present voted, "**Yes**". **Adopted**.

2. Field Locate and Mapping of Authority Infrastructure

- Resolution Awarding Change Order #1 OLV Contract
- Resolution Awarding Change Order #1 LVE Contract

These contracts are to locate the curb stops and if possible clean outs within the Villages. A proposal was prepared for the original work, which was very extensive. It was found to be too high so it was paired down. It was cut down a little close. Originally the Authority was going to have its own workers to search for curb stops. But the Authority did not have time to do the search with our own employees. This Change Order is needed to increase the scope of work for them to search for curb stops. The total amount for both Change Orders is \$16,000. Senator Singer said that it is understood that the Authority never had proper infrastructure for both Original Leisure Village and Leisure Village East. Senator Singer thinks that in the end the Authority will gain monetarily from this. Mr. Morrill said that we need this added to our mapping. Adding these curb stops to our mapping was always part of the GIS program. The field workers need this at their fingertips so they can locate the curb stops. Mrs. Lapa read **Resolution # 13-51 Authorizing Change Order No. 1 And Extend Contract Field Locations And Mapping At Original Leisure Village**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**. Mrs. Lapa read **Resolution # 13-52 Authorizing Change Order No. 1 And Extend Contract Field Locations And Mapping At Leisure Village East**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

3. Woodlake Sanitary Sewer Improvements – Project Status

In March, the contractor completed all the construction of the sewer line across the Golf Course. On April 1, 2013 a representative from the Golf Course inspected the renovation work and indicated that they were quite pleased with the work. We are waiting to get an estimate of the cost of the renovation of the Golf Course that they will do themselves. In the week of March 25, 2013 the contractor began the work on the line on Pinehurst Drive. This is from the pump station up to the corner of Pinehurst and Woodlake.

4. Leisure Village East Lift Station Repairs – Project Status

In March 2013 construction has progressed very well. Most of the work is expected to be done by end of April and all the work done by the end of May. The contractor has done a very good job and Mr. Morrill said he is extremely pleased with B&H Contracting. He did the GAC Building for the Authority. He looks for other ways to do things that are less expensive while still providing the same order of facility that we are looking for. He does not cheapen it, but he looks to save money whenever he can. There is a drainage problem out there. The contractor will try to fix it to prevent flooding around the intersection.

5. Brick Township Municipal Utilities Authority Interconnections – Project Status

This project is not going well. Mr. Morrill said he had to tell the engineer and the contractor to come into the Authority on March 28th. He told them that they have to get it moving. Avakian is the engineer. Mr. Waxman questioned what the problem is. Mr. Flancbaum said that there has been a lot of back and forth with the shop drawings. Mr. Morrill said that Avakian said that they do not want to do any more work for the Authority. Mr. Morrill is very happy about it. Senator Singer said he does not understand this because they only do government work. Mr. Morrill said he has been after them for four months about what kind of pumps to use. Senator Singer asked if we had paid them for everything yet. Mr. Morrill said no. Senator Singer suggested that a deal should be cut with them and then cut them loose. Mr. Flancbaum said it would be good to have GTS to do everything. Mr. Morrill said that he is extremely happy with Bill Voeltz from GTS. They will be doing the inspection for both jobs. Both jobs were supposed to be completed at the same time. The other job has not even started yet. Since Avakian did the design they have to be involved with the approval of the shop drawings. Senator Singer said to figure what needs to be done and let them out if possible.

6. New Hampshire Avenue Treatment Plant – Project Status

The back wash tank covers were delivered this week and will be installed by the end of the month. The panel for the heating should also be installed by the end of the month. There is a lot of cleanup work and we are keeping on top of them trying to get them to finish up the job. Senator Singer asked if he thinks they will be finished by the end of June. Mr. Morrill he hopes soon. Mr. Flancbaum said maybe by the end of May. Senator Singer said to ask them for a target date. Mr. Morrill said he asked them several times for a schedule of when the punch list items will get completed.

7. Meter Replacement Phase 2 – Project Status

On March 25, 2013 letters went out to the remaining homeowners informing them of the new meter installation. On April 15, 2013 the contractor plans on starting on installing the new meters and hopes to be done by the end of June. Senator Singer questioned how much of the Authority's system will be left after that. Mr. Flancbaum said that there will be around 2000 meters not hooked up to the radios but they do have newer meters so it is a matter of adding something to the outside of the building and programming to integrate them into the radio system. Mr. Morrill said the newer meters can be read with the hand held integrator. They do not have to go out and hand read anymore. The integrator will automatically download into the hand held reader.

Mr. Waxman asked what the status is of the Redondo Lane project. Mr. Morrill said he is meeting tomorrow with the engineer to get a date to get it back up to bid. Mr. Morrill read through the specifications and has only minor questions for the engineer. There are some fine tuning issues to get it cleaned up. Mr. Morrill said he feels that it is not only best to replace the sanitary sewer line but also to replace the water line. This was talked

about earlier. Hopefully we will probably be receiving bids in about six weeks. It will be out for the summer.

VIII. Attorney's Report

Mr. Smith said the Authority is about ready to close on the purchase of the easement from the Calvary Lighthouse. There were some discussions with them and their lawyer. A compromise was reached and the language was worked out. Mr. Smith has it here for Mr. Flancbaum to sign. The Authority is agreeing to abandon the existing pump station at our cost and expense and at the same time put in a new line. Senator Singer said that this is great. It will save money and headaches. Mr. Smith said that everyone is in agreement and all are appreciative. Senator Singer said as long as they are happy, let's get it done.

IX. Executive Director's Report

1. Resolution Authorizing the Purchase of Energy Generation Services for Public Use On An Online Auction Website

A reverse auction for procurement of electricity was conducted March 21, 2013 through Energy Market Exchange (EMEX). The successful bidder was NextEra Energy at just above eight and one half cents per kilowatt hour. The Authority realized an immediate savings of three and one half percent when compared to the NJSEM's strike price. Yesterday the NJSEM went out for reverse auction and did not meet the strike price. This means that they will go out again for auction. Also there is almost a fifteen percent savings when compare to the proposed JCP&L tariff for this year. The Authority opted to execute a twelve month contract with NextEra Energy. Based on last year's electricity usage, there would be a \$30,000 savings. Mr. Smith wanted to point out that the reason the Authority can do this is because NextEra Energy obtained from the Division of Local Government Services a waiver from having to comply with all the local public contract law requirements. This can be done under certain conditions under the statute. Mr. Smith examined their waiver. Mrs. Lapa read **Resolution # 13-53 Authorizing The Purchase Of Energy Generation Services For Public Use On An Online Auction Website**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

2. Office Supplies Savings

Previously the Authority had one company printing envelopes, bills, reminder notices and checks and another company doing our mailing for the monthly bills. A proposal was received from BP Graphics to consolidate everything into one company. Their proposal for the same services showing an annual savings of approximately twenty percent, a few thousand dollars. Mr. Flancbaum said that the Authority opted to go with BP Graphics. Also, they are a local company.

3. Reinstatement of Services Rates

Currently, the Authority has a \$25 fee for restoration of services after a turn off. The \$25 fee is low and has not been looked at for a while. Also, the Authority has no fee for after-hour's restoration of services. Mr. Flancbaum researched what other local utilities authorities and private companies charge for these services. The following information was presented on the screen for all to see. Jackson Township MUA has a flat fee of \$35 for regular hours and after-hours. New Jersey American Water Company charges \$28 during regular hours and \$100 after hours, holidays and weekends. Brick Township MUA charge \$50 during regular hours, \$85 from 3:00 P.M. through 9:00 P.M. They do not restore service after 9:00 P.M. The charge for Saturday, Sunday and holidays is \$115. East Windsor MUA has a flat fee of \$50. United Water has a fee of \$41 during regular hours and \$115 for after hours. Mr. Flancbaum thought that the fee for restoration during regular hours the Authority should come into line with what Jackson Township MUA

charges, \$35. Mr. Waxman asked Mr. Flancbaum what he would recommend for after hours. Mr. Flancbaum would say at least \$85 to cover overtime and gas. Senator Singer said that the Authority should think of increasing the fee of restoration during regular hours to \$35, for after-hours \$85 and for weekends \$100. Mr. S. Flancbaum asked how many restorations of services the Authority is doing. Mr. Flancbaum said that since the Authority started doing shut offs again, a lot are being done. A shut off notice is very detailed. It says do not pay online or call us. Only come into to the office between the hours of 8:30 A.M. and 4:30P.M. on Monday through Friday so we know to restore your service. There are plenty of customers that do not do that. Mr. Flancbaum directed the staff that if a call is received after hours, payment has to be made in full with a check only so that there is a record of payment. Mr. Waxman questioned how many checks are bad. Mr. Flancbaum said not many. If it's bad, they get the service shut off again. Mr. Coles wanted to know how many shut offs are being done. These people are having a hard time paying their bills. Mr. Flancbaum said maybe fifty a year. Senator Singer said that most of the problems are with landlord/tenant properties. Going to the landlord has solved some of the issues. Mr. Flancbaum said that at the end of the year tax sales are being done and the shut offs are being done the last six to eight months. There are not a lot of shut offs being done. Mr. Smith asked if the Board of Health is being notified of the shut offs. Mr. Flancbaum said he is not. He called the Board of Health regarding the procedure of notifying them of the shut offs. They said that there is no procedure or regulations. Senator Singer said that as a member of the Board of Health, do not notify them. Mr. Flancbaum said that when he spoke with them, they were actually quite happy with the Authority's system. Mr. Sernotti asked the reason for the shut offs. Senator Singer said that the shut offs are being done because of lack of payment. The Authority is very lenient with this issue. Mr. Sernotti wanted to know if it is homeowner's having a hard time or landlord/tenant issues. Mr. Flancbaum said that ninety nine percent of the time it is a landlord/tenant issue. Senator Singer explained that water is not shut off the day that it is due. There is fifty to fifty five days, close to two months before the water is shut off. New Jersey American Water Company does not wait that long, they give forty five days. The Authority is lenient with how long they can go without payment. Once it is shut off, \$35 is a reasonable amount for a restoration fee. Mr. Flancbaum said that \$35 just covers the costs. Senator Singer said that if the Commissioners would like one fee for after-hours he recommends \$85. Mr. Theibault thought a higher fee should be charged for after hours because as time goes by costs keep going up and if it is not revisited for another ten years, the fee will be low again. Senator Singer asked each commissioner what they thought the fees should be. Mr. Coles said \$35 for during hours and \$85 for after-hours. Mr. Waxman said he agrees with Mr. Coles. Mrs. Fish said \$35 for during hours, \$85 for after-hours and \$100 for weekends and holidays. Mr. Sernotti said \$35 for during hours and \$100 for after-hours. Mr. S. Flancbaum said \$35 for during hours and \$85 for after-hours. Mr. Theibault said \$35 for during hours and \$100 for after-hours. Senator Singer thought a good compromise would be \$35 for during hours and \$90 for after-hours. All commissioners agreed. Mr. Flancbaum said that because this is part of the rate structure it will have to be advertised and formally adopt it. Senator Singer said the Authority should not wait another twenty years to revisit these fees.

4. GIS Demo

The following discussion took place with illustrations portrayed on a screen. The Authority's GIS system was imposed on a satellite map. The yellow lines show the Authority's service area. Mr. Flancbaum zoomed in on 1311 Ventura Drive. There are yellow lines by the property. They are water lines. When you click on the line, it tells you the size of the line and what type of material it is made out of. There is another layer which is the sewer data. Mr. Flancbaum pointed out the curb boxes and where the laterals go into the homes. The red line is the sewer line. The green is the manhole. Then there is another layer with text which gives us more information about manholes,

material of pipes and size of pipes. This is system wide. Right now we do not have the capability of clicking the sewer lines but that will be added. Valve boxes and fire hydrants will also be added. This system will be very helpful. Mr. Morrill said this is why we are going out and locating the curb stops. Before when they would go out to locate a curb stop they would have to search the entire length of the property with a metal detector. Now when they see this, they can see that it is right in this area. Even if it is destroyed they know where it was at one point in time and isolate their service.

X. Instrumentation/IT Department Report

Mr. Farina reported that a flood alarm for the Administration Building was purchased, installed and tested. It is able to call out to the answering service and applicable Authority personnel in case an event has occurred as well as sound an audible alarm within the building. Senator Singer questioned if the Authority has fire drills. Mr. Flancbaum said that we do not. Senator Singer said that once a year there should be a fire drill. Everyone should know the closest exit. Inform the fire company that you will be performing a fire drill before you set the alarm off. Fire drills are done at the County Board of Health. It makes good sense.

The Leisure Village East Lift Station RTU panel has been built and installed with its SCADA program written. It was initially tested by our integrator. Start up and debugging will follow.

Work is under way in regards to the change over from Bristol Babcock SCADA equipment to the GE brand, as discussed at previous meetings. In addition, Mr. Farina has done research through our supplier, Industrial Controls, and found that GE offers its customers trade in allowances to switch from competitors equipment. What this means in dollars is: A purchase to acquire all PLC equipment needed to accomplish the job, less the large RTU#1 at Shorrock Street due to it being a more sophisticated controller, will cost the Authority \$5,684.80 as compared to \$14,811.93 without a trade in allowance. This is a cost savings of \$9,127.13. When we address RTU #1, the cost reduction percentage will be even higher because of the type of equipment. In summary, the Authority has in fact utilized this existing equipment for nearly nine years with little to no monetary loss. Senator Singer asked if there is enough back up on site in case something goes down and needs to be replaced. Mr. Farina said he is slowly building up since it is expensive. Senator Singer said that it is really needed.

Another wireless contractor, Let's Think Wireless, LLC located in Pine Brook, New Jersey, was procured in an effort to obtain the most qualified people to correct the numerous issues with the new microwave system. Yesterday Mr. Copeland and I met with the company president and three of his engineers. We went over the entire project with them and physically visited all the sites. They will now prepare a report on their findings and will suggest a plan or plans on how to proceed forward. This activity was of no charge to the Authority.

At the last commissioner's meeting there was a discussion regarding a video cameras at the front entrance of the Administration Building. At first we considered having an outside contractor handle the work. It was then decided that the job could be done better and less costly in house. An IP dome camera was purchased, which you may have seen on your way in. The recording was set to feed over the network to be captured in the server room. After some fine tuning of the motion detection and audio, this project was completed on March 18th, and we currently have twenty four days' worth of video with zero failures. Thanks to highly compressible video and motion overlays, we have the storage capacity to record over two years' worth of footage before cycling the output. Senator Singer questioned if the bullet proof glass is coming in. Mr. Flancbaum said he

spoke with the police department yesterday and they said to build a concrete wall and glass. Senator Singer said we do not need to build a concrete wall. Just make sure that the glass should not be able to be pushed in, perhaps a heavy glass needs to be installed.

Mr. Copeland showed the commissioners footage from the video cameras.

XI. Commissioners' Report

XII. MEETING OPEN TO THE PUBLIC

There was no response from the public.

XIII. MEETING CLOSED TO THE PUBLIC

XIV. MOTION TO APPROVE THE OPERATING VOUCHERS

A **motion** was made by Mr. Coles and seconded by Mrs. Fish to approve the Operating Vouchers in the amended amount of \$1,028,981.51. On a **Voice Vote**, all members present voted, "**Aye**". **Motion passed.**

XV. CLOSED SESSION

A **motion** was made by Mr. Waxman and seconded by Mr. Coles to go into closed session at 10:45 A.M to discuss personnel. On a **voice vote**, all members present voted, "**Aye**".

XVI. OPEN SESSION

A **motion** was made by Mr. Coles and seconded by Mr. Waxman to go back into open session at 10:47 A.M. On a **voice vote**, all members present voted, "**Aye**". Personnel was discussed and at the appropriate time the information will be released.

XVII. ADJOURNMENT

A **motion** was made by Mr. Waxman, seconded by Mrs. Fish to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 10:47 A.M.

Respectfully submitted,

Nancy Lapa,
Secretary, LTMUA