



Board of Commissioners
Senator Robert Singer, Chairman
P. G. Waxman, Vice Chairman
Raymond Coles, Treasurer
Anne Fish, Assistant Secretary
Craig Theibault, Commissioner
Samuel Flancbaum, Alt. Commissioner
Meir Lichtenstein, Alt. Commissioner

THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Regular Meeting Minutes

September 6, 2017

- I. Senator Singer opened the meeting at 3:00 P.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 10, 2017 and The Tri Town News on February 15, 2017.
 - III. **Salute to the Flag**
Senator Singer asked for all to say an individual silent prayer for those in Texas who have been severely hampered by the storm and to those in Florida that the storm should be gracious and miss them all.
 - IV. **Roll Call of Commissioners**
On a roll call the following Commissioners were present: Mr. S. Flancbaum, Mr. Theibault, Mayor Coles, Mrs. Fish and Senator Singer. Mr. S. Flancbaum was seated as an alternate. The following professionals and key personnel were present: Mr. Norman Smith, Esq., Mr. Gerwin Bauer Jr., Auditor, Mr. Justin Flancbaum, Executive Director, Mr. Daniel Rappoccio, CFO, Mr. Colin Farrell, CEng MIEI, Director of Engineering, Mr. Adam Ponsi, P. E., Mr. Robert Farina, Instrumentation Department Supervisor and Mrs. Nechama Lapa, Secretary.
 - V. **Minutes**
A motion to approve the minutes of the Regular Meeting held on August 8, 2017, was made by Mayor Coles and seconded by Mr. Theibault. On a **voice vote**, all members present voted, "**Aye**". **Motion carried.**
- Chief Financial Officer Report**
1. **Financial Results Review For August 31, 2017**
The Authorities net position for the period ending August 31, 2017 is approximately \$2.5 Million which is ahead of the budget by approximately \$1.2 Million. The Authority's

LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

390 NEW HAMPSHIRE AVENUE, LAKEWOOD, NEW JERSEY 08701
PHONE (732) 363-4422 | FAX: (732) 905-0712 | WWW.LAKEWOODMUA.COM

operating revenues as of August 31, 2017 is \$8.9 Million which is approximately \$791,000.00 ahead of budget. The increase continues to be driven by the non-recurring connection fees. There are five additional connections this month. They are residential and primarily New Hampshire Heights Development. The water and sewer service charges are still ahead of budget as well by approximately \$180,000.00. The Authority's expenses through August 31, 2017 are approximately \$6.4 Million. The Authority is behind the expense budget through August by approximately \$365,000.00. This is mainly because of lower salary, less overtime and lower repair maintenance cost throughout the year.

2. **Motion to Approve Operating Voucher**

Mr. Rappoccio provided the commissioners and Mr. J. Flancbaum with a list of abstentions. The operating vouchers to be approved are \$398,385.54. The construction account amount to be disbursed is \$108,186.79. The escrow account will be disbursing \$48,042.55. The operating account amount to be disbursed is \$242,156.20. A **motion** to approve operating vouchers in the amount of \$398,385.54 was made by Mayor Coles, seconded by Mrs. Fish. On **roll call**, all members present voted, "**Yes**" with noted abstentions. **Motion Carried.**

3. **Budget Update**

Approximately ninety percent of the Budget process is done at this time. A meeting will be scheduled with the Finance Committee over the next two weeks to discuss the Capital and Operating Budget. The Budget will be presented to the Commissioners at the next monthly meeting.

VI. **Engineer's Report**

1. **Update of Rules and Regulations**

- Motion Approving Addendum #23

Mr. Ponsi said that the Authority is adding the markers to the fire hydrant details. This is as per request of the Fire Commissioners.

Mr. Waxman arrived at 3:05 P.M. Mr. S. Flancbaum is no longer seated as an alternate.

A motion was made by Mayor Coles, seconded by Mrs. Fish to update the Rules and Regulations. On **roll call**, Mr. Theibault, Mayor Coles, Mrs. Fish and Senator Singer voted, "**Yes**". Mr. Waxman abstained. **Motion Carried.**

2. **Blvd of the Americas Office Building #4**

- Resolution Authorizing Executive Director to Endorse Applications

Mr. Ponsi said that this is the fourth office building being built on Boulevard of the Americas. It is about 44,000 square feet and it is being built by Mordy Schron. Due to this project generating over 2,000 gallons per day, outside agencies approvals are required. The Executive Director has to endorse the applications to OCUA. Mrs. Lapa read **Resolution #17-81 Authorizing The Executive Director To Sign All Applications Boulevard Of the Americas Office Building No. 4.** Motion was made by Mayor Coles, seconded by Mrs. Fish. On **roll call**, all members present voted, "**Yes**". **Adopted.** Senator Singer asked Mr. Ponsi if he can look at the size of the buildings and other projects to see if the allotment for the park is still on track. Mr. Ponsi said he can say now that it is. Senator Singer wanted to verify it so there should not be a problem there. Mr. Ponsi said the key is the residential component which has not been seen yet.

3. Pine Street Vassar Avenue Gravity Sewer Line

- Resolution Awarding Change Order #2

Mr. Farrell reported that on August 28, 2017 the Authority received a change order request number two from CME Associates. The request is for the cost associated with the utilization of a crash truck and additional signage in the amount of \$3,000.00. At this time the Authority may award Change Order No. 2 for CME Associates for the crash truck and additional signage necessary during the soil boring work in the amount of \$3,000.00.

Mr. Lichtenstein has arrived at 3:09 P.M.

Mrs. Lapa read **Resolution #17-82 Authorizing Change Order No. 2 Pine Street Vassar Avenue Gravity Sewer Line**. Motion was made by Mayor Coles, seconded by Mr. Waxman. On **roll call**, all members present voted, "**Yes**". **Adopted**.

4. Decommissioning of the Woodlake Pump Station

- Resolution Awarding Change Order #2

Mr. Farrell reported that on August 29, 2017 the Authority received change order request no. 2 from Maser Consulting for additional construction administration/coordination services for work related to JCP&L service abandonment and NJDEP permitting in the amount not to exceed \$2,900.00. At this time the Authority may approve Change Order No. 2 for Maser Consulting for additional construction administration/coordination services in the cost not to exceed amount of \$2,900.00. Mrs. Lapa read **Resolution #17-83 Authorizing Change Order No. 2 Decommissioning of the Woodlake Pump Station**. Motion was made by Mr. Waxman, seconded by Mayor Coles. On **roll call**, all members present voted, "**Yes**". **Adopted**.

5. Construction of Ball Park Wells 22 and 23

- Resolution Awarding Change Order #1

August 29, 2017 the Authority received a revised change order request #1 from T&M Associates detailing additional engineering work due to Authority requests for changes in designs and additional meetings in the amount of \$7,100.00. Work included investigation of different types of pumps and valves that can be used at the wells. At this time the Authority may award change order #1 for T&M Associates for the additional meetings and engineering work due to Authority requests in the amount of \$7,100.00. Senator Singer asked if the Authority is okay with these wells. He knows that there has been some push back from the DEP on some of the wells. Mr. J. Flancbaum said that the DEP has given the Authority some push back on one of these wells. They are saying that the well might be too close to the wetlands corridor. The DEP likes to see a drawdown of no more than one foot of the actual stream corridor when there is a well next to a wetlands corridor. The DEP thinks that the Authority may be over the one foot drawdown. The Authority has been going back and forth with the DEP on that one well. Mr. Waxman asked if it can be moved. Mr. J. Flancbaum said the question is with future development whether or not there will be remediation of the wetlands there. It is not known yet what Cedar Bridge will build there and whether there will be remediation. The Authority has been going back and forth with them on that. Senator Singer questioned why a well was put that close. Mr. J. Flancbaum said it was the consulting engineer's opinion that it was one foot or less. Mr. Waxman said the Senator is correct, what was the engineer thinking. There should be some responsibility. Senator Singer said the Authority should not keep on going and spending money and then find out that the Authority cannot build the well. Mr. J. Flancbaum said that this well project was started

in 2005 or 2006. Senator Singer said money should not be spent on a well that cannot be built. At some point there has to be a conclusion on this. Mr. J. Flancbaum said that this is the end of the road for these wells. Senator Singer said that he does not want any more requests for money on these wells until there is an approval to build. How much money was sunk into this? Mr. J. Flancbaum said that this is one application for both wells. Now the Authority is applying to the DEP for a Permit to Construct. This is the last leg of that process. The application is going to be in with the State now. This is what the Authority has been going back and forth with them. Mr. Waxman asked if it is denied is there any recourse for appeal other than the developer remediating. Senator Singer said in essence there might only be one well instead of two. Mr. J. Flancbaum said yes. Senator Singer asked if there is this kind of problems with the other wells. Mr. J. Flancbaum said no. There are four wells, these two and two Pine Street wells. The Pine Street wells and one well in the ball park are not affected at all. It is just the one well that is close to the stream corridor. Senator Singer asked if Mr. Mike Gross would have to be hired for this. Mr. Waxman asked is there room that it can be litigated. Mr. Smith said it can be litigated through the Administrative Court. Mr. Waxman asked if there is a good chance the Authority will win. Mr. J. Flancbaum said it is not known yet if the DEP will say no. Mr. Waxman asked when the Authority will know. Mr. J. Flancbaum said he thinks over the next eight to twelve weeks. Senator Singer said that this money is for the engineering firm, T&M Associates. Mr. Waxman asked if they are the initial engineers. Mr. J. Flancbaum said yes, they are the design engineer for these two wells. Mr. Waxman asked if they designed it in 2005. Mr. J. Flancbaum said no, it was Mott MacDonald. Mott MacDonald is handling the allocation increase request. These two wells are part of the allocation request. Mr. Waxman wanted to know if they messed up in 2005 or did these regulations not exist then. Mr. J. Flancbaum said he does not know. Mr. Waxman said if they messed up, the Authority should not pay them. Senator Singer said this payment is for T&M Associates. T&M Associates did not mess up. Mr. Waxman asked if the Authority should send Mott MacDonald the bill. Senator Singer said in 2008 or 2009 the entire wetlands regulations changed. They have definitely changed since 2005. Mr. J. Flancbaum said he will report to the commissioners as it progresses. Senator Singer said that T&M Associates have to be paid. Mr. Lichtenstein asked if this related to the phone calls to the DEP for plan endorsement. Mr. J. Flancbaum said no, it is not directly related. Senator Singer said it is a totally different issue. Mrs. Lapa read **Resolution #17-84 Authorizing Change Order No. 1 Construction of Ball Park Wells 22 and 23**. Motion was made by Mayor Coles, seconded by Mr. Fish. On **roll call**, all members present voted, **"Yes"**. **Adopted**. Senator Singer said let us review this so that we are all on the same page. More money should not be spent on these wells until the Authority knows exactly what is being built. Mr. J. Flancbaum agreed. Senator Singer said money can be spent on the well that is not affected by this. Also, get an idea of when the Authority will know the status of the well and if they deny this well what is the recourse and the cost. Senator Singer said the Authority is so down the road with this and we are still fighting on this. Mr. J. Flancbaum wanted to let the commissioners know that test wells were drilled in basically the same location and they were DEP approved. Now they come back saying there might be a drawdown of more than one foot and they are not sure that they want to approve the permanent location anymore. Mr. Waxman asked if they have the right to do that. Mr. J. Flancbaum said they can say whatever they want. If they say no, the Authority has to know what the recourse is. Mr. Farrell said that there is no more expenditure on this project. Mr. Ponsi said he wants to clarify this change order. This primarily makes all the pumps and equipment in line for not only the ballfield wells but also the Pine Street wells. Senator Singer said that the bigger problem is that tens of

thousands of dollars were spent on testing this particular well and now they are turning around and doing this. Senator Singer said he wants that the Authority should go back to the DEP and ask for the money returned. If the DEP is disallowing it now, we want the money back. Mr. S. Flanbaum wanted to know if the not allowing it at this time has to do with the Termination of the Permit Extension Act. Mr. J. Flanbaum said no. Senator Singer said that nothing changed in the regulations. Mr. J. Flanbaum said it has to do with the drawdown of the stream corridor. The test well locations were approved years ago. The DEP is saying now the drawdown may be too much, asking what kind of development is going to be next to it and are they remediating any wetlands. Mr. J. Flanbaum said the Authority has no idea what they are doing. Senator Singer said that is not the Authority's business. It is Cedar Bridge's business.

Mrs. Fish left the room at 3:22 P.M.

VII. Attorney's Report

Mr. Smith said there was a modest dispute on billing with the Lakeview Place Homeowner's Association. A meeting was held with them and the differences were resolved. Their attorney drafted a brief agreement. Mr. Smith said he reviewed it and modified it to some extent. Mr. Smith has a resolution approving the settlement agreement. Senator Singer said there was a question where the bills were going. They claim they were not getting the bills. They were put in tax sale. The agreement is negating the penalty interest. Mr. J. Flanbaum said they are getting a onetime credit of the interest and they have a 30 month payment plan for the principal amount. Senator Singer asked how much the total amount is. Mr. J. Flanbaum said it is approximately \$28,000.00. They are paying it in full. Senator Singer said this is for fire hydrants bills. Mrs. Lapa read **Resolution #17-85 Authorizing The Execution Of A Settlement Agreement With Lakeview Place Homeowners Association**. Motion was made by Mayor Coles, seconded by Mr. Theibault. On **roll call**, Mr. Theibault, Mayor Coles and Senator Singer voted, "**Yes**". Mr. Waxman abstained. **Adopted**.

VIII. Executive Director's Report

1. Resolution to renew membership with the NJUA-JIF

The Authority's membership expires at the end of the year. It is a three year membership. Mrs. Lapa read **Resolution #17-86 Renewal Of Membership In The New Jersey Utility Authorities Joint Insurance Fund**. Motion was made by Mayor Coles, seconded by Mr. Theibault. On **roll call**, all members present voted, "**Yes**". **Adopted**.

2. Director of Engineering – successful completion of probationary period

Mr. J. Flanbaum reported that the new Director of Engineering has successfully completed his probationary period with the Authority and would like to formally welcome Mr. Farrell aboard to his permanent position and wish him lots of luck. It has been a good ninety seven days. Senator Singer congratulated Mr. Farrell and welcomed him aboard.

IX. Technical Operations Report

Field Operations Report:

1. Leak detection project results

The Leak Detection Project was completed. It was conducted by an outside contracting firm. This was arranged by our engineering consultant Mott MacDonald. The results from the daily testing have revealed very few leaks culminating in as little as 20 Gallons Per

Minute or 10 Million Gallons Per Year in total. This renders our potable water distribution system is very tight and in good order. This is good news. There are not many repairs to make. Mr. J. Flancbaum said the contractor commented that it is one of the tightest systems he has ever seen. Senator Singer said that the repairs that are recommended will be done. How often do they think the Authority should have the leak detection test done? Mr. Farina said they recommended between three to five years. Senator Singer said a note should be made that this test should be done in four years. Mr. Farina said he will have Operations Department put it in the computer and it will pop up as a work order. Senator Singer asked if this plan sounds right to him. Mr. Robbins said yes.

Mrs. Fish returned to the room at 3:28 P.M.

Technical Operations Report:

2. SCADA System report

The current SCADA projects are in process and progressing. The upkeep of the system is running normal without issues.

3. Well #15 Backup generator status update

The submittal for the Well No.15 backup generator equipment has been approved by this department and was sent over to the electrical contractor. The order has been placed and its anticipated arrival is eight to ten weeks from now. Then the unit will be promptly installed and tested. At that time, all critical infrastructures will be electrically backed up. Any further generators will come through construction of the new wells. The new Pine Street and Ball Park well sites will have backup generators provided through their initial construction build.

4. Security access system and microwave radio status update

The engineering for the security and access control project is completed and has been approved by the Authority. It will be put on hold until the microwave antenna project is approved and completed. This is in the final stages. There are some little details to go over. Once that is done, the microwave antennas will be done and the security project will follow.

IT Status Report:

5. Cyber security report

The Cyber Incident Response Plan as well as the firewall upgrade and license renewal has an anticipated completion by months end. This will be good for one to two years, assuming no other new threats come through that the Authority will need protection from.

6. GIS servers update

All GIS servers are setup.

7. FTP site status update

The FTP site that will enable us to share large files has its server and software set up and is currently in testing stage with our Engineering Department.

GIS Report:

8. Server status report

All virtual servers that were setup by IT are now in the configuration process and are ready to start storing data.

9. Water Quality Accountability Act compliance work progress

We are working along with the Operations Department in order to comply with the recently enacted Water Quality Accountability Act.

10. Authority Master Plan report

We are now updating GIS data schemes, collecting and tracking information, creating tools for use in the field and office and purchasing the associated GPS accessories in order to allow us to do so. This means that GIS is up and running and we are slowly starting to make use of it. A couple of tools will be purchased that will enable anything new that needs to be added to be done in-house and the Authority will not have to go to outside engineering firms. The Authority will have the tool to go over that spot, plot the satellite and put it right into the system.

11. GIS services report

All the GIS information that was requested from our engineering consultants, T&M Associates, have been supplied to them for the inclusion in the Authority's Master Plan document. The department now responds on a continuous basis for GIS data requests from outside agencies regarding utility locations.

Senator Singer questioned if the handhelds are being used yet. Mr. Farina answered not one hundred percent yet. They are still in beta testing. It is being used somewhat. He expects it to be in full use very shortly.

X. Commissioners' Report

XI. Meeting Open To The Public

XII. Meeting Closed To The Public

Mr. J. Flancbaum said that he good news on the solar field project. Construction permits were filed about one and one half week ago by the solar developer. They plan on clearing over the next few weeks. A pre-clearing construction meeting will be held with them some time over the next two weeks or so and then there will be some activity here.

Senator Singer asked if there is any word on when the traffic light will go on. Mr. J. Flancbaum said he has not heard from the County, it was supposed to go on in the summer. Mr. Theibault said it looks like the pedestal for the light was built.

Mr. Waxman raised a concern regarding the left turn lane into the Authority's parking lot. He said he had to wait a very long time till he was able to make the left turn and also the cars that want to make a left turn into QuickChek come straight at you. There is no clear delineation in the street where the cars should stop. It is scary. Someone can go head on into you. What can be done? Senator Singer said the County said nothing. Mr. Waxman asked if they can put signs or clear arrows on the pavement. Mr. J. Flancbaum said he will ask them again. Senator Singer said that the County claims that once the traffic light is put in, the situation will rectify itself. Mr. Waxman said that will help the left

turn into the Authority parking lot but not the head on traffic. Mr. J. Flancbaum said he has been head on with trucks and school busses. Mr. Waxman said that there is no place to go if the car comes at you. Mr. J. Flancbaum said it is a problem.

Senator Singer asked Mr. J. Flancbaum if he had a meeting with the Personnel Committee. Mr. J. Flancbaum said he did and it will be finalized next month. Senator Singer said that next month there will be good news. Mr. Bauer, the auditor, is working on the budget and it looks good.

XIII. Adjournment

A motion was made by Mr. Waxman, seconded by Mayor Coles to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 3:35 P.M.

Respectfully submitted,

Nechama Lapa,
Secretary, LTMUA