

LAKWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

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THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Regular Meeting Minutes

August 6, 2013

- I. Senator Singer opened the meeting at 10:00 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. Theibault, Mr. S. Flancbaum, Mr. Sernotti, Mr. Waxman and Senator Singer. Mr. Theibault and Mr. S. Flancbaum were seated as alternates. The following professional and key personnel were present: Mr. Yanky Brenner, Esq., Mr. Gerwin Bauer, 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 Regular Meeting held on July 2, 2013, was made by Mr. Waxman and seconded by Mr. Theibault. On a **voice vote**, Mr. Theibault, Mr. S. Flancbaum, Mr. Waxman and Senator Singer voted "**Aye**". Mr. Sernotti abstained since he did not attend meeting. **Motion carried.**
- VI. **Accountant's Report**
Mr. Bauer gave out to all the commissioners the Authority's balance sheet for period ending June 30, 2013. Everything is going very well and is balancing. The Authority is basically on target. Last month the consumption has picked due to the drier weather. Hopefully it will continue like this for the rest of the year

VII. Engineer's Report

1. New Hampshire Avenue Treatment Plant

- Resolution Awarding Change Order #13

This Change Order is in the amount of \$40,893.00. It is for wall sleeves, extra work in the boiler room and work on the back wash tank. Mrs. Lapa read **Resolution # 13-85 Authorizing Change Order No. 13 Expansion And Upgrades To New Hampshire Avenue Water Treatment Plant.** Motion was made by Mr. Waxman, seconded by Mr. S. Flancbaum. On a **roll call**, all members present voted, "**Yes**". **Adopted.**

2. Install Hypochlorite at Remote Sites

- Resolution Awarding Professional Services Contract

There is a letter from Remington Vernick and Vena detailing the proposal for the new chlorination work. The amount for the work is \$7,670.00. Mrs. Lapa read **Resolution # 13-86 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1 Et. Seq.** Motion was made by Mr. Waxman, seconded by Mr. Sernotti. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

3. Wells #5 & #8 Relocations and Redrilling

- Resolution Awarding Contract

The Authority received bids on July 25, 2013. The lowest bidder was Tiger Construction Services. The second lowest bidder was Uni-Tech. The difference was about \$37,000.00. There is a letter in the packet dated August 2, 2013 from the engineer indicating that their only concern is that Tiger Construction has not done any Municipal work for about ten years. Mr. Morrill questioned the engineer about their concern. The engineer responded that he does not have concerns about the physical work. They can easily do the installation of the equipment and the wells. Their only concern is the paper work. Mr. Morrill advised the engineer that a letter should be sent to Tiger Construction informing them that if the Authority has to do any additional work because they are not familiar with the new regulations, the Authority will back charge them. The awarding of the contract is contingent upon the engineer's final review and attorney's review. Mrs. Lapa read **Resolution # 13-87 Awarding Contract To Tiger Construction Service Corp. For The Relocation And Redrilling For Wells No. 5 And No. 8.** Motion was made by Mr. Waxman, seconded by Mr. S. Flancbaum. On a **roll call**, all members present voted, "**Yes**". **Adopted.**

4. Cedar Bridge Raw Water Main

- Resolution Releasing Performance Guarantee, Accepting Maintenance Guarantee & Releasing Retainage

In the packet you will find an email from the engineer indicating that all the items have been completed and recommend release of the retainage and acceptance of the Maintenance Bond contingent upon review of the attorney. Mrs. Lapa read **Resolution # 13-88 Release Of Performance Guarantees Cedar Bridge Raw Water Main.** Motion was made by Mr. Sernotti, seconded by Mr. S. Flancbaum. On a **voice vote**, all Mr. S. Flancbaum, Mr. Sernotti, Mr. Waxman and Senator Singer voted, "**Aye**". Mr. Theibault abstained. **Adopted.**

5. Locust 48 Lot Townhouse

- Resolution Granting Amended Technical Approval for Water and Sanitary Sewer
The project was revised substantially. A re-review was needed. In the packet there is a letter dated August 2, 2013 detailing the remaining items for Technical Review. Mr. Theibault questioned who the builder is. Mr. Flancbaum said that the builder is Menashe Frankel. Mrs. Lapa read **Resolution # 13-89 On Site and Off Site Water and Sanitary Sewer Infrastructure Grant of Amended Technical Approval Locust 48 Unit Development.** Motion was made by Mr. Sernotti, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

6. Chestnut Street Development

- Resolution Granting Final Approval for Water and Sanitary Sewer
In the packet is a letter dated February 8, 2013 regarding the Technical Approval and Final Review of the project. This is a sixty eight lot development. Mr. Theibault questioned who the builder is. Mr. Flancbaum said the builder is Yehuda Dachs. Mrs. Lapa read **Resolution # 13-90 On Site and Off Site Water and Sanitary Sewer Main Grant of Final Approval Chestnut Street Development.** Motion was made by Mr. Waxman, seconded by Mr. Sernotti. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

7. Shenandoah Manor

- Resolution Granting Final Approval for Water and Sanitary Sewer
In the packet is a letter dated July 30, 2013 regarding technical review number nine and final review number four. Mrs. Lapa read **Resolution # 13-91 On Site and Off Site Water and Sanitary Sewer Main Grant of Final Approval Shenandoah Manor.** Motion was made by Mr. Sernotti, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

8. Repair and Replacement of Sanitary Sewer on Redondo Lane – Project Status

This project was awarded to RNR Contactor. Four letters were handed out. These letters contain updates on the status of project. There are also letters to Mazzara Trucking and Excavating, the former contractor, indicating the problems that were found with their work and that it needs to be corrected immediately. Senator Singer questioned how the project is going. Mr. Morrill said that the lines were televised and they are in good shape. Although, when Mazzara finished the concrete work, a little concrete was tossed down the pipe. I guess he thought it was going to wash away, but it did not. It became a solid. It had to be broken loose. It was televised and cleaned. The cost was about \$2,000.00 and was billed to Mazzara.

VIII. Attorney's Report

Mr. Brenner was in attendance in place of Mr. Smith. Mr. Smith is negotiating the indemnification language with the attorney from the In-Line Services. Mr. Smith discussed with Mr. Flancbaum the issue with the installation of the upgraded water meters and possible shut off of water. Mr. Flancbaum said that he will further report on this.

IX. Executive Director's Report

1. Resolution to approve Change Order #3 4 (amended minutes, clerical error) to In-Line Services, Inc. for Meter Replacement Phase Two

Approximately 6300 out of 6500 meters were installed. The last couple of hundred have been notified several times. They have received three or four notices in the mail in addition to phone calls from In-Line Services. The last notice said that their water service will be terminated. The only issue is that there are too many terminations to be

done in-house. Mr. Flancbaum asked In-Line Services for a proposal to do the terminations. The proposal is for \$85.71 per unit. Some of this expense will be offset by the \$35.00 restoration fee that the Authority charges for turn-ons. Mr. Smith reviewed the proposal and it looks good. The only problem with the proposal is that they want to be indemnified, even for their own negligence. Obviously, this cannot be agreed to. Mr. Waxman asked if this can be done in-house on overtime. Mr. Flancbaum said that it would be too much for the Authority to handle. In-Line Services will handle the terminations, the phone calls and the restoration of service. This is all inclusive with the \$85.71. Mr. S. Flancbaum asked how many turn-offs will there be. Mr. Flancbaum said there are approximately 260 terminations. If they are all done, the total would be \$22,284.60. This would be offset somewhat by the restoration fee charged. Senator Singer asked if any of these terminations are in retirement communities. Mr. Flancbaum said no. Mr. Waxman asked how the residents will know the phone number to call to restore services. Mr. Flancbaum said that the door hanger, which In-Line has already sent to the Authority, has their name and phone number on it. The prior notices that they have received also had the information. Senator Singer said that they received notification five to six times and they ignored the notices. If they do not have the phone number they can call the Authority and the office will give them the phone number. Mr. Waxman asked if the answering service will have the phone number also. Senator Singer said that turn-ons will not be done at night, it is too dangerous. Mr. Flancbaum said that information was also on the notice. The resolution will be subject to attorney's approval. Mrs. Lapa read **Resolution # 13-92 Authorizing Change Order No. 4 And Extend Contract Meter Replacement Phase II**. Motion was made by Mr. S. Flancbaum, seconded by Mr. Sernotti. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

2. Resolution to appoint Robyn Gaynor Qualified Purchasing Agent for the Authority with an annual stipend of \$10,000

Mrs. Lapa read **Resolution # 13-93 Appointing Robyn Gaynor As Qualified Purchasing Agent Pursuant To N.J.A.C. 5:34-5.4**. Motion was made by Mr. Waxman, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

3. Resolution to adopt an annual attendance incentive program

Mr. Flancbaum worked with labor counsel to establish an "Annual Attendance Incentive Program". The requirements for eligibility for the program are that you have to be an employee of the Authority for a minimum of four years. The employee must have accrued a minimum of thirty sick days and a minimum balance of fifteen sick days must be left. The maximum sick days that can be purchased will be sixty sick days per year at fifty percent of their value. The maximum payout will still not exceed \$15,000.00 for an employee hired after March 1, 1997 or \$20,000.00 if hired prior to March 1, 1997. This is an update to the Authority's sick leave policy. Mrs. Lapa read **Resolution # 13-94 Resolution of the Lakewood Township Municipal Utilities Authority Amending Its Employee Sick Leave**. Motion was made by Mr. S. Flancbaum, seconded by Mr. Sernotti. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

4. Resolution to write off customer balances from 2012 of \$5 or less

Mr. Waxman asked if the Authority is legally allowed to do it. Mr. Brenner said yes you can. Mr. Flancbaum said that the Township Tax Office does this also. Mrs. Lapa read **Resolution # 13-95 Authorizing Executive Director To Write Off Balance of \$5.00 Or Less For Annual Municipal Tax Sale**. Motion was made by Mr. Waxman,

seconded by Mr. Sernotti. On a **voice vote**, all members present voted, "**Aye**".
Adopted.

5. Establishment of Township wide benchmarks

Mr. Flancbaum has been in discussion with the Planning Board Engineer of Lakewood and the Township Engineer. The Authority requires that all As-Built Drawings are given to us in the 1988 Vertical Datum. However, inconsistencies were found with some of the information that the Authority was being given. There are different ways and monuments to establish your benchmark where you then convert it to the 1988 Datum. It was thought that the Authority should establish its own benchmarks for our purposes, two or three around the Authority's service area. That would be the basis for a developer to come in and use as a benchmark. Some research was done regarding the financial impact to the developer using the Authority's benchmarks. It was found that most engineers have the equipment so there would really be no additional cost. For those engineering firms that do not have the equipment, it would cost up to \$1,000.00. Mr. Waxman asked what the cost would be to the Authority for the benchmarks. Mr. Flancbaum said that to establish three benchmarks in our service area would be approximately \$8,500.00. This would make the Authority's GIS data very accurate. Senator Singer asked Mr. Morrill if he agrees to it. Mr. Morrill said yes. Mr. Morrill added that it saves the developer money. If the developer uses a different benchmark and it is not in the same datum as the Authority's is in, then our mapping consultant will have to change all their data and numbers in order to put it into the Authority's GIS system. Mr. Flancbaum said he spoke to the Township Engineer and suggested that the Township possibly adopt an ordinance to require new developers to either go by one of the three Authority's benchmarks in addition to two benchmarks which the Township can set also. The Township was concerned with the financial impact on the smaller developers and non-profits. Mr. Flancbaum said that at the Authority's discretion, we can possibly waive that requirement to use the Authority's benchmark. Senator Singer reminded that most engineers do have it already so most times there is no extra expense involved. They should hire an engineering firm that has the equipment. Mr. Morrill said that he thinks the Township is talking about a commercial development where they are not extending a sanitary sewer line or water main, they are just doing a single lot, then they would probably use an assumed datum and we would not be transferring the information into the GIS system. A brief conversation ensued between Mr. Waxman and Mr. Flancbaum regarding the potential benefit of jointly establishing Township and Authority benchmarks.

6. Add Carole Scrocca as signer for bank accounts

Mrs. Lapa read **Resolution # 13-96 Designating Finance Clerk As An Authorized Signatory On Authority Bank Accounts**. Motion was made by Mr. S. Flancbaum, seconded by Mr. Theibault. On a **voice vote**, all members present voted, "**Aye**".
Adopted.

7. New Hire-Operations

The summer intern, Cristian Garriga, has expressed an interest in staying with the Authority permanently. He will be attending Ocean County College for the semester. He comes on time and is responsible. The Authority would like to hire him with a pay of \$12.00 per hour.

8. Operator Incentive Program

A discussion regarding an incentive program took place with the operators this past Friday. The Authority would like to have an incentive program to get the operators

licensed. The Authority needs more licensed operators. Over the last few months, we held interviews for a licensed operator and did not have much success. The offer was \$5.00 an hour extra to the non-licensed employees to become licensed. Currently we pay an extra \$500.00 per year for every additional license they have. Now, the offer is \$1,000.00 for additional licenses. Mr. Flancbaum already had one of the non-licensed employees say that they are interested in doing it. Mr. Flancbaum spoke with other Authority's and they have similar incentive programs. A **motion** was made by Mr. Waxman and seconded by Mr. Sernotti to approve the Operator Incentive Program. On a **voice vote**, all members present voted, "**Aye**". **Motion passed**. Senator Singer said that it is important that the Authority have as many licensed operators as possible. The Authority has to have a licensed operator on call twenty four hours a day. The operator has to work for a full year in the industry before they can start taking courses. Then they start taking the courses. The Authority will pay for the courses and gives an incentive. The more licensed operators the better. There are never too many licensed operators. Mr. Flancbaum and Mr. McGregor found when they interviewed potential licensed operators from bigger systems the licensed operators are very narrow with what they do. They only do a part of the system. The Authority needs an operator that can do everything. There is a state-wide shortage of licensed operators. Senator Singer said he thinks that this incentive program is the right way to go.

Mr. Flancbaum added one more item to his agenda.

9. Bi-Weekly Payroll

Mr. Flancbaum researched possible savings to the Authority if we switched to a bi-weekly payroll. The savings would be \$1,700.00 per year. This could be started in five weeks to give everyone notice. Senator Singer said that the Township and all other agencies are on a bi-weekly payroll system.

X. Instrumentation/IT Department Report

Mr. Farina reported that the replacement of the Shorrock Street Water Treatment Plant Chemical Analyzers is now complete. We are waiting for the factory to commission them. The new analyzer replaced worn and malfunctioning devices. They will cut down maintenance by approximately eighty percent.

Replacement of the Shorrock Street potassium permanganate chemical feed pumps is now complete. The sodium aluminate pumps are at about seventy five percent completion. The new pumps replaced those that were either worn, inoperative or are no longer manufactured along with their parts. The Authority now has the latest and best. Cleaning up was done as well at the locations.

Last week, the electrical contractor brought all the electrical spare parts from the New Hampshire Avenue construction contract to the Technical Operations Department. They are now in storage with us.

Work is going forward with the SCADA equipment replacement for Shorrock Street Water Treatment Plant. When the last of the infrastructure, the enclosure, is installed, things will move forward at a more rapid pace.

We have worked to integrate the Administrative section of the server between users and the billing software. The office calendars have been completely integrated. This will allow the office administrator to track appointments, vacations and meetings. Many of the forms available on the website have been upgraded and modernized. In addition, we

continue to integrate e-mail addresses into our billing software for future use with electronic billing and customer contact.

XI. Commissioners' Report

Mr. Theibault said that the Township will be getting a lot of trees soon.

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. Sernotti and seconded by Mr. S. Flancbaum to approve the Operating Vouchers in the amended amount of \$498,849.99. On a **Voice Vote**, all members present voted, "**Aye**". **Motion passed.**

XV. CLOSED SESSION

XVI. OPEN SESSION

XVII. ADJOURNMENT

A **motion** was made by Mr. Theibault, seconded by Mr. Waxman to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 10:29 A.M.

Respectfully submitted,

Nancy Lapa,
Secretary, LTMUA