



Board of Commissioners

Senator Robert Singer, Chairman

Raymond Coles, Vice Chairman

Anne Fish, Treasurer

Samuel Flancbaum, Assistant Secretary

Michael Sernotti, Commissioner

Craig Theibault, Alt. Commissioner

P. G. Waxman, Commissioner

THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Regular Meeting Minutes

November 9, 2015

- 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 6, 2015 and The Tri Town News on February 11, 2015.
- 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, Mr. Waxman, and Senator Singer. Mr. S. Flancbaum was seated as an alternate. Senator Singer said for the record any delayed arrival today is a result of construction on the road and a poor way of handling it. The following professional and key personnel were present: Mr. Yanky Brenner, Esq., Mr. Justin Flancbaum, Executive Director, Mr. Daniel Rappoccio, CFO, Mr. Paul Morrill, 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 October 13, 2015, was made by Mr. Waxman and seconded by Mr. Coles. On a **voice vote** all members present voted "**Aye**". **Motion carried.**
- VI. **Chief Financial Officer Report**
 1. **Financial Results Review for October 31, 2015**
The Authorities net position for the period ending October 31, 2015 is approximately \$4 Million which is approximately \$2 Million ahead of the Budget. This is being driven by the non-recurring connection fees revenue. Excluding the non-recurring connection fees the Authority revenue would be ahead of budget by approximately \$1 Million. That is

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being driven by service fees received related to irrigation and increased accounts in the system. The Authority's expenses are \$7.1 Million as of October 31, 2015 and are slightly higher than the Year To Date Expenses due to offsetting items. The expenses came in very close to budget. It is slightly higher due to items that were unforeseen like snow removal, landscaping, repair and maintenance. Mr. Rappoccio said he is comfortable and pleased with the expenses this year.

2. Roll Call to Approve Operating Vouchers

A **motion** to approve operating vouchers in the amended amount of \$1,209,873.80 was made by Mr. Waxman, seconded by Mr. Coles. On a **roll call**, all members present voted **"Yes"**. **Motion passed.**

3. Resolution to Adopt 2016 Water and Sewer Budget

Mr. Rappoccio met with Senator Singer, Mr. J. Flancbaum and Mr. Bauer last week. The budget was reviewed. The Operating Budget covers the debt service agreement for the upcoming year. The Capital Budget is within the Authority guidelines. Senator Singer said the Mr. Theibault was supposed to attend but unfortunately could not. The Budgets look very good. The Commissioners received copies to look over. There are Capital Improvements going on and projects that are ongoing. The Authority is in healthy condition and the rates will not have to be increased. This is good news.

Mrs. Fish arrived at 10:05 A.M. due to construction traffic. Mr. S. Flancbaum is no longer seated.

Mrs. Lapa read **Resolution # 15-119 2016 Water Operation Lakewood Township Municipal Utilities Authority Budget Resolution**. Motion was made by Mr. Sernotti, seconded by Mr. Waxman. On **roll call**, all members present voted, **"Yes"**. **Adopted.** Mrs. Lapa read **Resolution # 15-120 2015 Sewer Operation Lakewood Township Municipal Utilities Authority Budget Resolution**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On **roll call**, all members present voted, **"Yes"**. **Adopted.**

4. Resolution To Award Controlled Substance Abuse and Alcohol Misuse Compliance Program

Mr. Rappoccio requested an approval to award a contract to a new company, Dafeldecker Associates, to oversee the drug testing services. This company comes highly recommended. The Township, Public Works and Jackson MUA use them. The switch is not the result of a rate issue rather a customer service issue over the last few months with our current company. Senator Singer wanted to inform the Commissioners that there was a delay with notification which is not acceptable. Therefore the Authority will switch to the company that Lakewood Township is using. The company comes down to the Authority and does random testing on site. This testing is very important. The personnel that get tested are operating the plants. It is a serious issue if an employee that is in charge of operating the plant has a problem. It is also an issue for operating of vehicles. The Authority has zero tolerance. Mrs. Lapa read **Resolution #15-121 Awarding Contract To Dafeldecker Associates, LLC For Implementing And Administering A Drug And Alcohol Compliance Program**. Motion was made by Mr. Sernotti, seconded by Mr. Coles. On a **roll call** all members present voted **"Yes"**. **Adopted.**

VII. Engineer's Report

1. Magnolia II

- Resolution Granting Conceptual Approval
This is a development on Cedar Bridge Avenue near the Fire Station. The Conceptual Approval is based on a letter from T&M Associates dated October 29, 2015. Mrs. Lapa read **Resolution # 15-122 Grant Of Conceptual Approval Magnolia II At The Woods**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

2. Avenue of the States Office Building

- Resolution Granting Technical Approval
The Technical Approval is conditioned on a letter from Grant Engineering dated October 19, 2015. Mrs. Lapa read **Resolution # 15-123 Grant Of Technical Approval Avenue Of The States Office Building**. For the record Mr. Waxman and Mr. Sernotti will not vote on this item. Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **roll call** Mr. Coles, Mrs. Fish and Senator Singer voted "**Yes**". Mr. Sernotti and Mr. Waxman abstained. **Adopted**.

3. Pine Belt Chrysler

- Resolution Granting Technical Approval
This is located on Route 88 near Lanes Mills Road. The approval is conditioned on the GTS Associates letter dated October 8, 2015. Senator Singer said he cannot vote on this. Senator Singer handed the gavel to Mr. Waxman. Mrs. Lapa read **Resolution # 15-124 Grant Of Technical Approval Pine Belt Chrysler**. Motion was made by Mr. Coles, seconded by Mr. Sernotti. On a **roll call** Mr. Sernotti, Mr. Coles, Mrs. Fish and Mr. Waxman voted "**Yes**". Senator Singer abstained. **Adopted**. Mr. Waxman handed the gavel back to Senator Singer.

4. Flushing Hydrant Installations

- Resolution Awarding Professional Services Contract
This contract is being awarded to Remington Vernick in the amount of \$16,820.00 for construction observation services. Mrs. Lapa read **Resolution #15-125 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 Mrs. Fish. On a **voice vote** all members present voted "**Aye**". **Adopted**.

5. Wells #1, #3, & #5 Building Rehabilitations

- Resolution Awarding Professional Services Contract
This contract is being awarded to Remington Vernick in the amount of \$12,500.00 for the design and construction management services for the installation of submersible pumps at Well No. 1 and Well No. 3. Mr. Waxman asked about Well No. 5. Mr. Morrill said that well was already done. Mrs. Lapa read **Resolution #15-126 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 Mrs. Fish. On a **voice vote** all members present voted "**Aye**". **Adopted**.

6. Abandonment of the Woodlake Pump Station—Project Status

The Authority was informed that on November 11, 2015 the contractor, Pillari Bros. anticipates installing dewatering equipment within the Route 88 pavement with construction of the actual sewer line to begin on the night of November 18, 2015.

VIII. Attorney's Report

Mr. Yanky Brenner introduced himself. Mr. Smith could not attend since he is at depositions the whole day on the case of Authority versus New Jersey Business

Systems. Senator Singer asked Mr. Brenner to relate to Mr. Smith that he should have a courier service.

IX. Executive Director's Report

1. Authorization to advertise Request for Proposals for Snowplowing Services for 2015-2016 Winter Season

Mr. Flancabaum is requesting authorization to advertise again this year. The last few years have worked very well. The contract will be awarded to start in December. Authorization was granted.

2. Tax Sale Final Results

The Tax Sale process started with 456 properties and approximately \$220,000.00 in outstanding balances. 325 properties were paid up prior to the Tax Sale and 131 properties actually went to Tax Sale. Approximately \$55,000.00 was collected at the Tax Sale itself. All the outstanding balances were collected either before or after the Tax Sale. Mr. Waxman asked if it worked out with the Tax Collector. Mr. Flancabaum said yes. The Tax Collector did a very good job and the Authority staff did a great job.

3. Closed Session: Will take place later

- a. Contract Negotiations-NJ American Water Company
- b. Personnel

X. Instrumentation/IT Department Report

1. Security and Camera Report

Mr. Farina met with the radio/antenna contractors in order to discuss plans on moving forward with security camera implementation and card key access at all of the remote sites. This is being done so that the Authority can do away with conventional keys. A preliminary plan was put together in order to list priorities as this project will have to be executed in many phases as it relates to cost and complexity. It was requested that the immediate effort be focused on securing all external gating at remote sites with card key access. Let's Think Wireless will compose a plan and submit for review.

2. Shorrock Street Antenna Tower Update

The Shorrock Street antenna tower is moving forward as Let's Think Wireless is in the process of submitting documents to the Lakewood Building Department. Materials are on the way so that the foundation for the tower can get completed as soon as possible, prior to the arrival of the winter weather.

3. Well No. 2 SCADA Update

The backup SCADA contractor, ITS, Inc. is set to arrive on November 12, 2015 to finalize work on the last field GE PLC conversion at the Well No. 2 site. They will be downloading and de-bugging the program followed by installation. This depends on Operations ability to turn the station over to us for a few days of shutdown. This will be decided based on the Authority's ability to pump adequate amounts of water per the current demand. Several well house construction projects are in progress and the upcoming filter media replacement at the Shorrock Street Water Treatment Plant will also have an impact on water production.

4. Ammonia in the Water Report

A demonstration ammonia analyzer will be placed in the Shorrock Street Water Treatment Plant and will be tested. The exact sample location will be determined by Operations supervision. This demonstration is an attempt to see whether or not this

piece of analytical equipment can provide useful information to Operations in order to better treat and ultimately eliminate our ammonia issues.

IT Status Report

Prior to going forth with the IT segment of report Mr. Farina would like to briefly inform the Commissioners on what is going to become a common term and discussion from this point forward as it relates to our IT operations. Since the evolution in the IT industry has been leaning more and more towards the storage of an organizations data on vendors hardware via the cloud, there are certain agreements that must be made and adhered to in order to insure that the Authority's data is indeed secure and protected as well as being able to be accounted for should the vendor and or the Authority suffer hardware losses. This term will be referred to as the SAAS or Software As A Service Agreement. The Authority data is being entrusted with the vendor and the Authority has to make sure that it will be found when needed.

5. HR Software Update - TimeOut - HR and Payroll Human Resource Management System Project

The kick off Meeting was held on November 4, 2015. Mr. McBride is working with Mr. Rappoccio on this project. We are reviewing the Software License Agreement with the vendor, CWS Software. Negotiations are complete and paperwork has been signed. The Authority is also working on a standard master SAAS agreement that can be used with all software as a service vendor cloud providers. The Authority is in negotiations with CWS on the SAAS Agreement.

6. Vehicle GPS Update - GPS Tracking and Fleet Management Software

Vendor proposals are being reviewed. The project is one hundred percent complete. The pilot program is going well with regards to the process of setting up reports. Mr. Farina said he has the ability to view the reports every day. The reports give the status of the vehicles and any instances of speeding. Negotiations are beginning with the vendor on the SAAS Agreement.

7. GIS Implementation Report

The GIS implementation is in progress. Mr. Farina is reviewing the GTS proposal for next year and is scheduling a meeting to discuss how to move forward. Mr. Farina recommends that the Authority should have GTS submit a more detail proposal that includes the following:

- a. A summary that clearly and concisely summarizes the request for capital.
- b. Needs Assessment that documents the Authority's needs to be met or issues to be solved and set up a meeting if necessary.
- c. Objectives that clearly establishes the progress and benefits in measurable terms.
- d. Methods that describe the actions to be employed to achieve the desired results.
- e. Evaluation – Present a plan to the Authority for determining the degree to which objectives have been met and methods are followed.
- f. Future and/or necessary cost – Describe a plan for continuation and/or the availability of other resources necessary to complete the project and get it up and running.
- g. A Budget that clearly delineates costs.

This is a very large and costly project. A clear reporting process on the progress and more reports are needed rather than annual or bi-annual.

Senator Singer said that the Authority is monitoring the water quality all the time. At some point, the Authority should periodically take samples of the water coming in from

the Brick MUA. Their water could be offsetting the Authority's water and that needs to be known. The Brick MUA does check their water, but the Authority should independently test their water once or twice a year. Mr. Farina said he thinks this testing is in progress. He will call to verify. If not, it will certainly be implemented.

XI. Commissioners' Report

XII. MEETING OPEN TO THE PUBLIC

There was no response from the public.

XIII. MEETING CLOSED TO THE PUBLIC

XIV. CLOSED SESSION

The meeting went into closed session for pending or anticipated litigation or contract negotiations and personnel at 10:22 A.M. Mrs. Lapa read **Resolution #15-127 To Go Into Closed Session**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote** all members present voted "**Aye**". **Adopted**. *Mr. J. Flancbaum and Mr. S. Flancbaum left the room prior to discussion regarding a proposed salary increase for the Executive Director.

XV. OPEN SESSION

A motion was made by Mr. Waxman, seconded by Mr. Coles at 10:45 A.M. to go back into open session. On a **voice vote** all members present voted "**Aye**". **Motion carried**. Senator Singer said it was discussed that a specialized attorney needs to be hired to deal with the master water allocation plan. Mr. J. Flancbaum will get back within the next week or so with who it will be. The second item that was discussed was regarding personnel. The Personnel Committee met to discuss raises and made their recommendations to the full Board during closed session. Mrs. Lapa read **Resolution #15-128 Authorizing An Increase In The Executive Director's Salary**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. Senator Singer said that there was a motion to deduct the sixty eight cents to make the amount even. Mr. S. Flancbaum did not participate in the vote. On a **voice vote** all members present voted "**Aye**". **Adopted**. Mrs. Lapa read **Resolution #15-129 Authorizing Salary Increases For 2015**. Motion was made by Mr. Waxman, seconded by Mrs. Coles. On a **voice vote** all members present voted "**Aye**". **Adopted**.

XVI. ADJOURNMENT

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

Respectfully submitted,

Nechama Lapa,
Secretary, LTMUA