



Board of Commissioners

Senator Robert Singer, Chairman

Mayor Raymond Coles, Vice Chairman

Craig Theibault, Treasurer

Anne Fish, Assistant Secretary

P. G. Waxman, Commissioner

Samuel Flanbaum, Alt. Commissioner

Meir Lichtenstein, Alt. Commissioner

THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Regular Meeting Minutes

April 2, 2019

- I. Senator Singer opened the meeting at 10:03 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 19, 2019 and The Tri Town News on February 20, 2019.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**
On roll call the following Commissioners were present: Mr. Lichtenstein, Mr. S. Flanbaum, Mr. Theibault, Mayor Coles, Mr. Waxman, Mrs. Fish and Senator Singer. The following professionals and key personnel were present: Mr. Adam Pfeffer, Esq., Mr. Gerwin Bauer, Auditor, Mr. Justin Flanbaum, Executive Director, Mr. Daniel Rappoccio, CFO, Mr. Colin Farrell, CEng MIEI, Director of Engineering, Mr. Adam Ponsi, P. E., Mr. Robert Farina, Director of Operations and Mrs. Nechama Lapa, Secretary.
- V. **Minutes**
A **motion** to approve the minutes of the Regular Meeting held on March 12, 2019, was made by Mayor Coles and seconded by Mr. Waxman. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**
- VI. **Chief Financial Officer Report**
 1. **Financial Results Review For Period Ending March 31, 2019**
The Authorities net position for the period ending March 31, 2019 is approximately \$682,000.00. This is approximately \$141,000.00 ahead of the budget. The Authority's operating revenue is approximately \$3.8 Million. This is approximately \$138,000.00 ahead of the budget. This is being driven by the water and sewer service charges. The Authority's expenses through March 31, 2019 are approximately \$3.1 Million. This is relatively flat to the budget.

LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

390 NEW HAMPSHIRE AVENUE, LAKEWOOD, NEW JERSEY 08701

PHONE (732) 363-4422 | FAX: (732) 905-0712 | WWW.LAKEWOODMUA.COM

The financing for the Administration Building Addition is almost finalized with the NJEIT. Confirmation should be received in one to two weeks and then the Authority will be able to get reimbursed for the expenses that were outlaid. Senator Singer asked if he is satisfied with the bond counsel. Mr. Rappoccio said they have been excellent to date. Senator Singer said the Authority is using the same bond counsel as the Township. The Authority was not happy with the previous bond counsel.

2. Motion to Approve Operating Vouchers

Mr. Rappoccio provided the commissioners with a list of abstentions. The amount for the Operating Expense Vouchers is \$450,959.01. A **motion** to approve operating vouchers in the amended amount of \$450,959.01 was made by Mr. Waxman, seconded by Mayor Coles. On **roll call**, all members present voted, "Yes" with **noted abstentions. Motion Carried.** Senator Singer said he had a discussion with Mr. J. Flancbaum and Mr. Rappoccio after last meeting that if the voucher is not in by the Friday before the meeting, it will not be added on, unless there is some extraordinary reason why.

3. Resolution Authorizing Member Participation in a Cooperative Pricing System

This would allow the Authority to have access to more vendors that have already been vetted through this cooperative purchasing program. Mrs. Lapa read **Resolution No. 19-33 Authorizing Member Participation in a Cooperative Pricing System.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted "Yes". **Adopted.**

VII. Engineer's Report

Mr. Ponsi's Report

1. Update of Rules and Regulations

- Motion Approving Addendum #31

A construction detail is being updated to clean it up for the Authority standards. A motion to update the Rules and Regulations was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted "Yes". **Adopted.**

Mr. Theibault stepped out of the conference room at 10:09 A.M.

2. Avenue of the States Retail and Office (Ave of the States Office, LLC & AOTSR, LLC-Yosef Michael & Aaron Mueller)

- Resolution Granting Final Approval

This project is on the corner of Cedarbridge Avenue and Avenue of the States. On March 28, 2019 Grant Engineering issued a final review letter. At this time the Authority may grant final approval for the Avenue of the States Retail & Office project conditioned on the Grant Engineering letter of March 28, 2019. Senator Singer wanted to know how big this project is. Mr. Ponsi said that there is a 70,000 square foot office building, 35,000 square foot retail place and a bank. Senator Singer said that it sounds like it will be around 110,000 square foot. Where does that come to in the water service supply? Mr. J. Flancbaum said these buildings will be low in water usage, there should not be an issue. Senator Singer asked if there will be separate meters for everyone. Mr. J. Flancbaum said yes. Senator Singer asked about the parking. Mr. J. Flancbaum said there will be plenty of parking. This developer actually decreased the square footage so that he can increase the parking spaces. Senator Singer said that if needed we can use the water and sewer as a reason why we want more parking. Mrs. Lapa read **Resolution No. 19-34 Grant Of Final Approval Avenue of the States Retail and**

Office. Motion was made by Mayor Coles, seconded by Mr. Waxman. On **roll call**, all members present voted **“Yes”**. **Adopted.**

3. Boulevard of the Americas Office Buildings No. 5 (CSR Equity, LLC-Mark Chopp)

- Resolution Authorizing Executive Director to Endorse Applications
OCUA and TWA approvals are required due to the proposed development generating over 8,000 gallons per day of sanitary sewer flow. At this time the Authority may authorize the Executive Director to endorse applications for this project. Mrs. Lapa read **Resolution No. 19-35 Authorizing Executive Director To Endorse Applications Boulevard Of The Americas Office Building No. 5.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted **“Yes”**. **Adopted.**

4. Oak Street Sudler Buildings 33 & 34 (Sudler Lakewood Land, LLC-Steven Spinweber)

- Resolution Authorizing Executive Director to Endorse Applications
These are two buildings for Sudler. OCUA approval is required due to the proposed development generating over 2,000 gallon per day of sanitary sewer flow. At this time the Authority may authorize the Executive Director to endorse the applications. Mrs. Lapa read **Resolution No. 19-36 Authorizing Executive Director To Endorse Applications Oak Street Sudler Buildings No. 33 And No. 34.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted **“Yes”**. **Adopted.**

5. New Hampshire Avenue & Healthcare Way Apartments (EZ Storage Site) (Lakewood Realty Associates, LLC-Doran Tajfel)

- Resolution Releasing Performance Guarantees
On February 20, 2019 the Authority received a request from the applicant to release the performance guarantees for the project. On March 29, 2019 the Authority issued a letter detailing the conditions for the release. At this time the Authority may release the performance guarantees for the New Hampshire Apartments project conditioned on the Authority’s letter of March 29, 2019. Senator Singer asked how many conditions are there. Mr. Ponsi said not many. There are two minor punch list items and getting as-built drawings. Senator Singer said he is hesitant to release it until the as-built drawings are received. Mr. Ponsi said the Authority will not release the guarantees until the as-built drawings are received. It is a stipulation in the letter. Mrs. Lapa read **Resolution No. 19-37 Releasing Performance Guarantees New Hampshire Avenue And Healthcare Way Apartments.** Motion was made by Mr. Waxman, seconded by Mayor Coles. On **roll call**, all members present voted **“Yes”**. **Adopted.**

Mr. Theibault returned to the conference room at 10:15 A.M.

6. Quick Chek Cedar Bridge Avenue (Quick Chek Corporation-Steven Rash)

- Resolution Releasing Performance Guarantees
On February 13, 2019 the Authority received a request from QuickChek Corporation to release the performance guarantees for the project. On March 29, 2019 the Authority issued a letter detailing the conditions of the release. This project is past the maintenance guarantee period. They had to address everything to get this released and they have. At this time the Authority may release the performance guarantees for the Quick Chek project conditioned on the Authority’s letter of March 29, 2019. Mrs. Lapa read **Resolution No. 19-38 Releasing Performance Guarantees Quick Chek Cedar Bridge Avenue.** Motion was made by Mr. Waxman, seconded by Mayor Coles. On **roll call**, all members present voted **“Yes”**. **Adopted.** Senator Singer expressed

concern about the turning lane. Senator Singer asked if it will be fixed with the traffic light. Mr. J. Flancbaum said that it has gotten better since the installation of the traffic light. Senator Singer said his main concern is that the employees should not get hurt.

Mr. Farrell's Report

7. Admin Building Renovation & Expansion (Addition)

- Resolution Awarding Change Order No. 1

On March 19, 2019 the Authority received change order request no. 1 from Bismark Construction in the amount of \$9,063.24 for relocation of existing utilities and excavation of new conduit from the proposed Administration Building extension. At this time the authority may award change order no. 1 to Bismark Construction in the amount of \$9,063.24. Senator Singer said that this is the electric issue that was discussed at last month's meeting. Mrs. Lapa read **Resolution No. 19-39 Authorizing Change Order No. 1 Administration Building Renovation and Expansion**. Motion was made by Mr. Waxman, seconded by Mayor Coles. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

8. County Line Manor Pump Station Upgrades Gravity Sewer Main

- Resolution Awarding Change Order No. 3

The Authority is going through the NJEIT approval process. Updates are being made to the contract. There are additional licenses they want to see in the contracts. The Authority has asked CME and GTS Consultants to provide additional work, therefore a change order is needed. On March 25, 2019 the Authority received change order request no. 3 from GTS Consultants in the amount of \$4,900.00 for proposed construction document revisions to address NJEIT comments. At this time the authority may award change order no. 3 in the amount of \$4,900.00. Mrs. Lapa read **Resolution No. 19-40 Authorizing Change Order No. 3 County Line Manor Pump Station Upgrades Gravity Sewer Main**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

9. Pine Street Vassar Avenue Gravity Sewer Line

- Resolution Awarding Change Order No. 6

On March 25, 2019 the Authority received change order request no. 6 from CME Associates in the lump sum amount of \$5,000.00 for construction document revisions to address NJEIT comments. At this time the authority may award change order no. 6 in the lump sum amount of \$5,000.00. Mrs. Lapa read **Resolution No. 19-41 Authorizing Change Order No. 6 Pine Street Vassar Avenue Gravity Sewer Line**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

VIII. Attorney's Report

Without going into details, Mr. Pfeffer had a conference call with Mr. J. Flancbaum and Mr. Stanzione about the Pillari litigation. We voiced the opinion of the commissioners, that this is dragging on and nothing is really happening, more updates are wanted and try to move this along. Mr. Stanzione is asking for a case management conference with the judge. Mr. Pfeffer hopes to have a date from him by next week. He is keeping the pressure on. Senator Singer said he wants everyone to understand something. He is getting to the point that he is so angry at the judge. This case will cost the Authority more than if we would have given him the outrageous sum that he did not deserve. They drag it out and it costs a fortune of money. He will not get what he thinks he is going to get because he has to pay his attorney. The judge has got to understand that this is not personal money, it is the rate payers' money. The judge needs to be told that

it is rate payers' money. Senator Singer wants to know the name of the judge. We should have a press conference about this. This is going on and on because the other attorney is not doing their job. Mr. Pfeffer said that the other side asked for an extension for a new expert report. Even if the judge will grant it, we will object to it. This is why we want a case management conference. We have spent lots of time on discovery and all of sudden now they wake up. Senator Singer asked what is the matter with the expert report that they have now. Mr. J. Flancbaum said that never had one. Senator Singer said so they made up figures. Mr. Pfeffer said he cannot go into detail but our experts found some information that are bringing their numbers lower and lower. Senator Singer asked if they know about it. Mr. Pfeffer said no, this is something that came up recently. Senator Singer said this is going to cost the Authority many \$100,000.00s. Mr. Pfeffer said that we have not even gotten to the deposition stage. Mr. J. Flancbaum said the depositions are scheduled. Senator Singer asked if their request changes the deposition schedule. Mr. Pfeffer said it does not change anything. Our attorney agrees not to consent and we want to go before the judge to voice our opinion. Senator Singer said he wants it to go on the record that this is not Authority money, this is rate payers' money and affecting them. He really wants to know who the judge is.

IX. Executive Director's Report

1. Resolution Authorizing the Execution of a Shared Services Agreement with the County of Ocean

The water main on Ridge Avenue needs to be lowered so Ocean County can repair the culvert. It is scheduled to start right before Passover. To expedite the process, we have a shared services agreement with Ocean County. The work will be done by Ocean County's contractor and the Authority will pay the County for the contractors work. Mr. Waxman asked if there will be a loss of water. Mr. J. Flancbaum said there will not be a loss of water. A couple of hydraulic models were done over the last week to see what will happen when that section of the main will be isolated. There may be a temporary drop of pressure. Mr. Waxman asked if this affects residential area. Mr. Robbins said there will be a few homes without water during the reconnection of the piping. Mr. Waxman asked when will this happen, right before Passover? Senator Singer said we have no choice with this, it is being done with the County. Mr. Waxman asked if the homeowners are being notified. Mr. J. Flancbaum said that they will be notified in advance. Mr. J. Flancbaum asked how long will the water be off. Mr. Robbins said it will take a few hours and then they will be on boil water notice. Mrs. Lapa read **Resolution No. 19-42 Authorizing The Execution Of A Shared Services Agreement With The County Of Ocean**. Motion was made by Mayor Coles, seconded by Mrs. Fish. On roll call, all members present voted "Yes". **Adopted**.

2. Payargo Mirror Image Software

The Authority has been utilizing Payargo's remote payment services for the last several months for customer ACH payments. It has been going very well. We are ready to start to utilize the Mirror Image software to automate postings of check payments. Basically all customer checks will be scanned directly to Payargo. They then create a daily posting file in Edmunds format and they also send daily check images to the bank. There will be an initial set up fee of just over \$15,000.00. There will be an annual maintenance fee of \$2,670.00. This will increase efficiency. Senator Singer said the Township uses it and that is why we got it. It is a positive thing and we learn from each other. This will free up people to do other things. Over the next couple of weeks it will be set up and the Authority will be automated.

X. Technical Operations Report

Annual Flushing - Mr. Farina said the annual flushing started yesterday, so far it is going well.

Field Operations Report:

1. Shorrock WTP Lighting

We are in the process of changing and installing new LED lighting at the Shorrock Street Water Treatment plant. Lights are being replaced as they go bad. The plant now is about seventy five percent LED lights.

Technical Operations:

2. SCADA Operations

All SCADA and communications systems are running well.

3. Microwave Radio System Update

Our antenna and radio contractor, Lets Think Wireless, along with our contracted Networking Engineer and SCADA programmer worked and completed getting the new equipment up and running for Wells Nos. 1, 2, 3 and sewage lift station at Leisure Village East. This completes the microwave radio installation. All that is left at this time is for me and Mr. J. Flancbaum to discuss with Lets Think Wireless about getting a maintenance contract set up.

IT Department:

4. IT Specialist New Certification

Mr. McBride has received ITIL version 4 Certification which is standard frameworks certification acknowledging best practices for delivering IT services.

5. Cyber Security Presentation Report

Mr. McBride also delivered a presentation on Cyber Security for the NJWEA which was received well by other MUA IT staffing.

GIS Department:

6. Quality Control on GIS System

Mr. McClain is currently performing QA/QC with regards to correcting and or eliminating services and misidentified features on system valves.

7. Sewer Main Extension Identification Development

Mr. McClain is working with Engineering to identify upstream parcels for sewer main extensions in order to be used in discussions with the New Jersey DEP.

8. Operations GIS Training Status

Mr. McClain completed GIS training with the LTMUA Operations Staff so that they can go forward with the Authority's paperless operations.

9. Quality Control on LTMUA Customer Accounts

Mr. McClain is working on customer accounts to correct, update and confirm block and lot identifications.

Senator Singer asked Mr. Farina to be involved with the design of the HVAC system at Shorrock Street. Mr. Farina said that he and Mr. Robbins are involved to make sure this

system will work. Senator Singer told the commissioners that the HVAC system is shot and has always been troublesome. It is time to upgrade it.

Senator Singer asked how the new SCADA employee is doing. Mr. Farina said he is working well. He just worked for the first time with the SCADA engineer and he is starting to pick up on that.

XI. Commissioners' Report

XII. MEETING OPEN TO THE PUBLIC

Mr. David Herzog asked to speak. He said he never got an answer with regard to the water and sewer for Block 183 Lots 1, 2 and 4. Mr. Pfeffer said regarding Mr. Herzog's request to wanting to have New Jersey American Water to service property that is in the LTMUA service area, he is looking into it. Mr. Pfeffer has requested information from the engineering department and received some information. He is looking into it and analyzing it for the whole area. By the next month's meeting Mr. Pfeffer will present his research to the commissioners and should have an update for him.

Mr. Herzog said he sent in the plans for a property on East County Line Road three months ago and has not received an answer. Mr. Waxman asked if he submitted an application for it. Mr. Herzog said his engineer said yes, but he will ask him again. Mr. J. Flancbaum and Mr. Ponsi indicated that they do not recall seeing an application for the project. Mr. Waxman said an application needs to be submitted in order for it to progress.

XIII. ADJOURNMENT

A motion was made by Mayor Coles, seconded by Mr. Waxman to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 10:37 A.M.

Respectfully submitted,

Nechama Lapa,
Secretary, LTMUA