



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

April 4, 2017

- I. Senator Singer opened the meeting at 10:02 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 10, 2017 and The Tri Town News on February 15, 2017.
 - III. **Salute to the Flag**
 - IV. **Roll Call of Commissioners**
On a roll call the following Commissioners were present: Mr. Lichtenstein, Mr. S. Flancbaum, Mr. Theibault, Mayor Coles, Mr. Waxman, Mrs. Fish and Senator Singer. 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. 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 March 7, 2017, was made by Mayor Coles and seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Motion carried.**
- Chief Financial Officer Report**
1. **Financial Results Review For March 31, 2017**
The Authorities net position for the period ending March 31, 2017 is \$778,000.00 which is ahead of the budget by approximately \$470,000.00. The Authority's operating revenues as of March 31, 2017 is approximately \$4 Million which is \$395,000.00 ahead of budget. This continues to be driven by service fees and connection fees. There were six residential connection fees in March in New Hampshire Heights. New Hampshire Heights has approximately fifteen more units to go. This is the only residential

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development being developed at this time. The Authority's expenses through March 31, 2017 are \$3.2 Million. The expenses continue to run slightly under budget. This is a good thing. The Authority is approximately \$75,000.00 under budget year to date. Senator Singer asked if the Authority's collection rate is still high. Mr. Rappoccio said the Authority is still ahead of budget on the collection of service fees.

2. **Motion to Approve Operating Voucher**

Mr. Rappoccio provided the commissioners and Mr. J. Flancbaum with a list of abstentions. The Operating Expenses have changed from what is in the packet. There is a decrease of \$6,431.78. There is one invoice that is being taken out. There is a job that will not be completed for a couple of months. A **motion** to approve operating vouchers in the amended amount of \$430,336.24 was made by Mayor Coles, seconded by Mrs. Fish. On **roll call**, all members present voted, "**Yes**" **with noted abstentions**. **Motion Carried.**

VI. **Engineer's Report**

1. **Cedarwood Hills**

- Resolution Releasing Performance Guarantees

The release is contingent upon the Authority letter dated March 30, 2107. Mrs. Lapa read **Resolution #17-47 Release Of Performance Guarantees Cedarwood Hills**. Motion was made by Mayor Coles, seconded by Mrs. Fish. On **voice vote**, all members present voted, "**Aye**". **Adopted.**

2. **New Hampshire Avenue School South of Oak Street**

- Resolution Granting Conceptual and Technical Approval

This is for sewer only. This is contingent on the review letter of March 30, 2017 from Grant Engineering. Mrs. Lapa read **Resolution #17-48 Grant Of Conceptual And Technical Approval New Hampshire Avenue School South of Oak Street**. Motion was made by Mr. Waxman, seconded by Mayor Coles. On **voice vote**, all members present voted, "**Aye**". **Adopted.**

3. **Tuscany II**

- Resolution Accepting Developer's Agreement

On March 24, 2017 an amended Schedule B for the Developer's Agreement was signed. This indicates that the developer will contribute \$125,000.00 toward the fair share cost of the offsite trunk sewer to be paid per unit, as the units come online. The developer will also construct an offsite water main which the Authority will reimburse. The reimbursement will be limited to the credits of the connection fees. Mr. Waxman asked if this is the development that there was a discussion about looping the line. Mr. Morrill said yes and they are looping the line. This will loop the Authority's water system back through White Oak over to Ridge Avenue. Senator Singer asked how many units are there in this project. Mr. Morrill said thirty seven units. Mrs. Lapa read **Resolution #17-49 Authorizing The Execution Of The Revised Developer's Agreement Tuscanny II**. Motion was made by Mayor Coles, seconded by Mrs. Fish. On **voice vote**, all members present voted, "**Aye**". **Adopted.**

4. **Emergency Repairs Well #15 2017**

- Resolution Awarding Change Order #2

The amount of the Change Order is \$593.00 for the extension of the column pipe. They are epoxy coating it and extending it. They are lowering the pump from its previous position so it can pump more water. The pump and motor were changed but it also needed to be lowered. Senator Singer asked if this is the well that had the pipe piece

that needed to be taken out. Mr. Morrill said no, that was Well No. 3. Senator Singer asked if they got it out. Mr. Morrill said yes they got it out in one day. Senator Singer said that is great news. Mrs. Lapa read **Resolution #17-50 Authorizing Change Order No. 2 Emergency Repairs At Well No. 15**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **voice vote**, all members present voted, "**Aye**". **Adopted**.

5. **Redevelopment of Wells #1 and #3**

- Resolution Awarding Change Order #3

Mr. Morrill said at last month's meeting he mentioned that the redevelopment was taking a bit longer. The chemicals were reacting with the iron bacteria. There is a daily rate for the redevelopment. Based on the daily rate the Change Order is in the amount of \$14,450.00. Mrs. Lapa read **Resolution #17-51 Authorizing Change Order No. 3 Redevelopment Of Wells 1 And 3**. Motion was made by Mayor Coles, seconded by Mrs. Fish. On **voice vote**, all members present voted, "**Aye**". **Adopted**.

VII. **Attorney's Report**

Mr. Smith said that there is one piece of litigation, the condemnation of eminent domain action for an easement. The owner of the property is Ms. Laurie Leeds. Mr. Smith said he filed a condemnation action in Superior Court in order to show cause. She came to court and objected to it, but did not file an answer. So Mr. Smith wanted to take it to a judge. Ms. Leeds contacted the court for an extension so she can hire an attorney. Judge Ford gave her a two month extension to hire an attorney. So Mr. Smith cannot dig default. She has not filed an answer yet. Senator Singer said she will not file an answer and will not hire an attorney. She never does. Mr. Smith said he objected vehemently but Judge Ford gave her two months. She has till the end of April. The first day he can, he will file a judgement by default. Senator Singer suggested that also make mention in the statement that she had two months to get an attorney and did not get one. This is her motive of operation. She will not spend money on an attorney. The Authority will take the property. The discussion is only about payment for the property and not whether the Authority can take it. Maybe remind the judge about that. Mr. Smith said he was disappointed that she took that approach. The common practice is to grant the condemnation and to litigate the value later. Senator Singer asked what the value is. Mr. J. Flancbaum said \$2,500.00. Senator Singer said if she hires an attorney it will eat up all the money. She will not hire one. Unfortunately there has been experience with her for years. She has lost things that she has not done right. Senator Singer said to make sure the Authority does everything properly. Also, ask to the judge to grant the taking then we can litigate what she wants to litigate. Mr. Smith said he will press the application to the judge. He did raise that very clearly last time.

Mr. Waxman asked if there is an update with the lawsuit with Horizon at Woodlake Greens. He heard that it was settled. Senator Singer said the Township settled. Mr. Smith said he was not notified that it was settled. He is not doing anything on it. Mr. J. Flancbaum said from what he understands is that the Township is waiting for a signed agreement from the bonding company. Mr. Waxman asked if that is the settlement. Mr. J. Flancbaum said that is the settlement between the homeowner's association and the Township of Lakewood. Mr. Smith said the Authority was added as a defendant out of an abundance of caution by the plaintiff. Mr. Smith he does not blame their attorney for naming every agency that might be applicable. But he did make an application to take the Authority out of the case because the Authority has nothing to do with it. Mr. Smith said he is not spending a lot of time on this.

Mr. Morrill asked Mr. Smith regarding the water line extension that the Authority is trying to get an easement on, it seems you are saying that the Authority cannot proceed with construction at this time. Mr. Smith said that is correct, until the Authority has the easement. Mr. Morrill asked would it help if he wrote a letter stating that it is a public health and safety issue to get that water line looped to the system. Senator Singer said yes and can it be forwarded to the judge? Mr. Smith said he can do it.

VIII. Executive Director's Report

1. Resolution Awarding Contract for the Installation of a Sewer Solids Grinder at the County Line Manor Sewage Lift Station

A Request For Proposal opening was held on March 17, 2017. We are proposing to take the grinder from the Woodlake pump station and refurbish it for installation at the County Line Manor pump station. One proposal was received. It was from B&H Contracting for \$19,620.00. The proposal has been reviewed by the staff and it is recommended to award the contract to B&H Contracting. The Authority has worked with them in the past and has been happy with their work. Senator Singer asked how much would a new grinder cost. Mr. J. Flancbaum said a new grinder is significantly more. Mr. Morrill said it is \$60,000.00. Senator Singer asked if there is any warranty on the refurbished one. Mr. J. Flancbaum said if it breaks down within the first year or two you can go back. Mr. Morrill said that this is the installation cost. The grinder has been refurbished. Because of the significant problems we have been having at the County Line Manor pump station the grinder needs to get in there. It should help operations significantly. Mr. Farina said that the grinder is brand new and has not been refurbished. It has been purchased for the Woodlake pump station. It is essentially one year old. Mr. J. Flancbaum said that a better word to use would be reconfigure the grinder, not refurbish. Mrs. Lapa read **Resolution #17-52 Awarding Contract For The Installation Of A Sewer Solids Grinder At The County Line Manor Sewage Lift Station**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **voice vote**, all members present voted, "**Aye**". **Adopted**.

2. Resolution Awarding Contract for the Furnishing of a Rental Standby Generator for the County Line Manor Sewage Lift Station

A Request For Proposal opening was held on March 28, 2017. Four proposals were received with prices ranging from \$1,400.00 to \$3,450.00 per month. The lowest proposal is from Power Equipment Company for \$1,400.00 per month. We anticipate having the generator for about two years until the station is eliminated. That would be a total of \$33,600.00. They were significantly lower than the others so it is recommended to award the contract to Power Equipment Company. Senator Singer asked what the cost would be for a new generator. Mr. Farina said it would be around \$30,000.00 plus installation. Purchasing a generator was not considered because the Authority would not have any use for it afterwards. Mr. J. Flancbaum said the Authority would not a place to put it. Senator Singer said the prices are close but if something goes wrong with it, the company will have to fix it or replace it. Mr. Morrill said that if we are able to get through CAFRA at a quick pace then it will not be needed for the entire two years. Mrs. Lapa read **Resolution #17-53 Awarding Contract For The Furnishing Of A Rental Standby Generator For The County Line Manor Sewage Lift Station**. Motion was made by Mayor Coles, seconded by Mrs. Fish. On **voice vote**, all members present voted, "**Aye**". **Adopted**.

3. Resolution Awarding Professional Services Contract to Mott MacDonald for Engineering Services Related to Distribution System Leak Detection Survey

As the Commissioners are aware, in late October 2016 the DEP declared a drought warning for fourteen counties in the state including Ocean County. One of the requirements for all public water systems is to conduct a leak detection survey. It was not possible to conduct the survey by the deadline in December. The DEP was notified of it. The Authority was given the first half of 2017 to respond to them. The cost of the survey is estimated to be approximately \$30,000.00. Senator Singer said that this is unnecessary to do now but it has to be done anyway. Mr. J. Flancbaum said it has to be done because of the drought warning. Senator Singer asked if they are lifting the drought warning. Mr. J. Flancbaum said no. Senator Singer said that this is ludicrous. Mr. J. Flancbaum said it was issued at the end of October 2016. A proposal was received from Mott MacDonald to prepare a Request For Proposal. We want to make sure the survey is done properly. Senator Singer said it is a good thing to do anyway. That is why he is not so upset about it. Mr. J. Flancbaum agreed. The proposal was in the amount of \$6,500.00. They will prepare the Request For Proposal, review proposals and have a pre-construction meeting. Mrs. Lapa read **Resolution #17-54 Awarding Professional Services Contract Without Public Bidding Pursuant To N.J.S.A. 40A:11-4.1 et seq.** Motion was made by Mayor Coles, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

4. Update on Solar Project

There was a courtesy review before the Zoning Board last night for the solar project and the addition for the Administration Building. All went well. The initial review process from CAFRA was successfully completed. Now it is in the Public Comment Period.

5. Update on Administration Building Addition

We have a final draft floor plan. It is a two story building without a basement. If there is a basement a sprinkler system and elevator has to be done right away. It has a 2,500 square foot footprint. Mr. J. Flancbaum reviewed it this morning with one of the members of the construction committee. He will show it to Mr. Theibault after the meeting to review it. Mr. Waxman asked if the Authority will regret not going with a basement for storage etc. Mr. Morrill said it is cheaper to go up. Mr. J. Flancbaum said the second floor will be used for storage. The second floor will have insulation, sheet rock, a subfloor and carpet. Mr. Waxman asked if it will be built so a third floor can be added. Mr. J. Flancbaum said a third floor will not be added but the second floor will be built so that it can be finished and fitted into office space in five years or so when it is needed. Senator Singer said the elevator should be put in now. Mr. S. Flancbaum asked if a basement is put in will the whole building have to have a sprinkler system. Mr. J. Flancbaum said just the basement. Senator Singer said that the bigger issue is that office space will be needed in the future and we do not want to have offices in the basement. It is better for a lot of reasons to have a second floor. Senator Singer said Mr. Theibault will look at the plans before it comes to the Commissioners. Senator Singer said that Mr. J. Flancbaum told him that all the department heads have looked at the plans and signed off on them. It is important to note that this plan not only solves the problems immediately but also well into the future. That is important. The only suggestion Senator Singer made after looking at the plans is putting in the elevator now. His experience, although he may not have as much experience as other commissioners do, is that if a shaft only is put in initially and then you want to put in the elevator a few years later, it never fits. Putting it in right away will avoid a major problem. If there is a problem we will know about it right away. Secondly it will be used for storage. He does not like for employees have to shlep files etc. up a flight of stairs. It sounds like an accident waiting to happen. Senator Singer said he had in another place a shaft was put in initially and then the elevator at a later date. There was nothing but heartache.

People were asking who designed this. The initial person was gone and now everyone is pointing fingers. For this addition, there will be a full review of the plans to the Board after the committee releases it. Mr. Lichtenstein asked once the elevator is being put in why not have a basement built whether it is used or not. Senator Singer said it would have to have a sprinkler whether it is used or not. Second of all, there is no advantage to a basement. We were originally building a basement for storage etc. But a basement will not give room for additional offices. A second floor will do both. Mr. Lichtenstein asked when the second floor is used for offices where the storage will go. Senator Singer said at this point we are eliminating a lot of the storage. We are consolidating and able to contract with an outside firm to store things. Mr. J. Flancbaum said that now we are using a bay in the vehicle storage building for storage. A lot of that, we are getting rid of. We looked into small shed like buildings that can be used for storage. They are very inexpensive. That is cheaper than building a basement with a sprinkler system and maintaining it. Senator Singer said with basements there is a mildew problem and you need dehumidifiers. Senator Singer said he thinks that other than the items that are needed on site, we should contract with an outside storage facility. There was discussion with this. The only problem is if we need to pull a document back it is difficult. We have to look into a company like Commvault to store off site. Senator Singer said we can look at the plans and look into a basement. Everything is cost factor. The good thing is that we do not have to bond for this project, we will go the NJEIT. Mr. J. Flancbaum said that seventy five percent of the loan has zero percent interest for twenty years. Mr. S. Flancbaum said it might be worth considering the difference in cost if you put a basement in because you have to go down half way anyway and have a concrete floor. Mr. S. Flancbaum is not saying to eliminate the second. Senator Singer said that there will be a cap on the money spent on this. There will be an increase and we would like to keep it to a minimum. There is no way you can finance this without an increase. We have to guarantee to get the money. We want to be careful with how much is spent and choices have to be made. Mr. J. Flancbaum said he is very okay with the sheds if storage is needed down the road. They are climate controlled. Senator Singer said the Authority is required by law to have a hard copy of certain documents for a certain amount of time otherwise everything would be digitized. Senator Singer said he would like to get rid of the storage in the bay. Mr. J. Flancbaum said we already have started cleaning it out and is working on it.

Mr. Waxman asked if anything was finalized with the changing of the time for the monthly meetings. Mr. J. Flancbaum said he thinks we were going to do another poll because Mr. Lichtenstein was not here. Senator Singer said he had asked Mayor Coles, Mr. S. Flancbaum and for himself. When the meeting is held later, it becomes an all-day deal for a lot of us. If you would like the meeting earlier, that could be done. Does 9:00 A.M. work better? Mr. Waxman said that the traffic is worse then. If you do not want to do it later it is fine.

IX. Instrumentation/IT Department Report

1. SCADA System Support Status

Since releasing the SCADA contractor last month, the in house SCADA integrator has been able to provide support to the system without any issues thus far. We have since secured a better structured SCADA contractor via a yearly contract in the amount of \$16,500 which we will only pay based on time and visits that are actually used. This support is through Pumping Services, Inc., Middlesex, NJ. The actual SCADA engineer that is assigned for us is intimately familiar with the Authority's SCADA system. Our primary objective with this contractor is to utilize them for emergencies, projects and

issues that are beyond our capabilities or in the event of the absence of our own personnel.

2. Wooden Pole Redeployment

The moving and re-installation of the radio/antenna poles are slated to begin on April 11, 2017 and should take two to three days to complete.

3. Well #15 & 16 Motor Control

We are in the process of installing soft starters at the newly repaired Wells No. 15 and 16. This will reduce the wear and tear on the pump and motors that is associated with conventional starting methods. We have utilized this equipment elsewhere in our systems and eventually will be used everywhere.

IT Status Report:

4. DHS Audit Report

The Department of Homeland Security Audit Phase 1 went well and the auditors were impressed with our facilities. We are now awaiting their report. Phase 2 of the Audit is scheduled for mid- April.

5. Active Shooter Training Status

Our IT Coordinator along with our Safety Officer will conduct the Active Shooter Training with the staff later on this afternoon and on Friday.

6. SCADA Networking Work

IT along with our SCADA Integrator is progressing with the replacement of the new networking switch installation and SCADA network upgrade. It is coming along nicely. It is pretty important to do, so it has to be taken very slowly. Any mistakes can end up in shutting down the water treatment plants.

7. GIS Report

The Authority's GIS Specialist has the new tablets deployed in the field supporting hydrant flushing activity. Data is being collected and is providing flow data of the flushing water used that will be reported to the DEP as mandated. In addition, the data collection will be used for asset management and maintenance. It will ultimately be used to create a step by step detail of the flushing procedure and sequence. This will benefit the Authority by being able to use any available personnel without any extensive training.

Discussions have taken place between the Authority and the Township Dispatch Agency in order to provide them with hydrant location information for their reference. We are also preparing our well location information in anticipation of its request by the Township for inclusion in its Wellhead Protection plan.

Lastly, we are finalizing the Request For Proposal for the acquisition of GIS software, support and training that will enable us to progress with the GIS program in house.

Senator Singer asked what the status with getting the SCADA System books is. Mr. J. Flancbaum said we received them. Mr. Farina said they were reviewed and they are acceptable. We have them in soft and hard copy. Mr. J. Flancbaum said payment in full was made to him. Senator Singer said that a note should be sent to him thanking him for all his years of service and we appreciate all he has done for us. If there is need in the future, we certainly hope we can contact him. The note should be from the commissioners. We should take the high road.

Mr. Lichtenstein asked what SCADA stands for. Mr. J. Flancbaum said Supervisory Control And Data Acquisition.

X. Commissioners' Report

Senator Singer said Mr. Theibault asked if a bench area was put in the design of the building so the employees can eat out in the nice weather. Mr. J. Flancbaum said yes. Senator Singer said maybe we can do that for the tree city plantings.

XI. MEETING OPEN TO THE PUBLIC

XII. MEETING CLOSED TO THE PUBLIC

A presentation was made by Senator Singer, Mayor Coles and Meir Lichtenstein to three employees that will be retiring, Mr. Morrill, Mr. McGregor and Mr. Terry. Senator Singer said that they all have been with the Authority for many years and have all done an outstanding job. It is very much appreciated. Senator Singer had a Joint Senate Assembly Resolution introduced in the Statehouse for all three retirees. Each retiree has a plaque with their name on it. It becomes a permanent record at the State House that they were honored by the Senate and Assembly. Mayor Coles praised them highly and said they made his tenure at the Authority a pleasure. Mayor Coles presented each retiree with a plaque with a Proclamation from the Township. Mr. Lichtenstein echoed what Mayor Coles said and is happy to support the Mayor in his resolution. Mr. S. Flancbaum, Mr. Theibault, Mr. Waxman and Mrs. Fish thanked them for their hard work, exemplary job done and professionalism and wished them warmly on their next endeavors. They will be missed by all. Pictures were taken of the retirees holding their plaques, the Board Members and Mr. J. Flancbaum.

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 10:49 A.M.

Respectfully submitted,

Nechama Lapa,
Secretary, LTMUA