



Board of Commissioners

Senator Robert Singer, Chairman

P. G. Waxman, Vice Chairman

Raymond Coles, Treasurer

Anne Fish, Assistant Secretary

Craig Theibault, Commissioner

Samuel Flanbaum, Alt. Commissioner

Meir Lichtenstein, Alt. Commissioner

THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Regular Meeting Minutes

August 8, 2017

- 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 10, 2017 and The Tri Town News on February 15, 2017.
 - III. **Roll Call of Commissioners**
On a roll call the following Commissioners were present: Mr. S. Flanbaum, Mr. Theibault, 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 Flanbaum, 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.
 - IV. **Salute to the Flag**
 - V. **Minutes**
A motion to approve the minutes of the Regular Meeting held on July 12, 2017, was made by Mr. Waxman and seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Motion carried.** Mr. S. Flanbaum was seated as an alternate.
- Chief Financial Officer Report**
1. **Financial Results Review For July 31, 2017**
The Authorities net position for the period ending July 31, 2017 is approximately \$2.2 Million which is ahead of the budget by \$1.5 Million. The Authority's operating revenues as of July 31, 2017 is \$8.3 Million which is approximately \$1.3 Million ahead of budget. \$730,000.00 is coming from water/sewer services. Approximately \$600,000.00 is from non-recurring connection fees. This month the Authority had five new residential connections in Tuscany II. The Authority's expenses through July 31, 2017 are a little

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over \$6 Million. The Authority is approximately \$260,000.00 behind the expense budget through July. The expenses continue to run slightly ahead of the Budget.

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 \$1,122,717.23. The operating account amount to be disbursed is \$940,170.65. The construction account amount to be disbursed is \$182,537.58. A **motion** to approve operating vouchers in the amount of \$1,122,717.23 was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted, "**Yes**" with noted abstentions. **Motion Carried.**

VI. **Engineer's Report**

1. **Lanes Mill Road 22 Unit Subdivision**

Resolution Accepting Developer's Agreement

On July 6, 2017 a meeting was held with the developer to discuss terms of the agreement. The developer is agreeing to build all the onsite and offsite water and sewer mains. The schedule of payments of the connection fees was discussed. At this time, the Authority may accept the terms of the Developer's Agreement as described in Schedule B. Mrs. Lapa read **Resolution #17-77 Authorizing The Execution Of The Developer's Agreement Lanes Mill Road 22 Unit Subdivision.** Mr. Waxman said for the record he will not vote on this item. Mr. Theibault asked who the developer is on this project. Mr. J. Flancbaum said the developer is Aaron Mansour. Motion was made by Mr. Theibault, seconded by Mr. S. Flancbaum. On **roll call**, Mr. S. Flancbaum, Mr. Theibault, Mrs. Fish and Senator Singer voted, "**Yes**". Mr. Waxman abstained. **Adopted.**

2. **Ridge Avenue School #4**

Resolution Granting Conceptual & Technical Approval

This school is located on Ridge Avenue between Merlin Drive and Old County Line Road. A review letter from T&M Associates was received on July 13, 2017. Based on this review letter, Conceptual and Technical Approval may be granted for this project. Senator Singer asked if they are aware that they have to pay the connection fees. Mr. J. Flancbaum said absolutely. Senator Singer said they need to understand that the non-profits are charged substantially less and does not want to have a problem like the Authority had in the past. Mr. J. Flancbaum said that they are well aware. Senator Singer told Mr. Smith that they should initial that they understand the connection fees need to be paid. If they do not pay, they are jeopardizing the whole program. Mrs. Lapa read **Resolution #17-78 Grant Of Conceptual And Technical Approval Ridge Avenue School No. 4.** Motion was made by Mr. S. Flancbaum, seconded by Mrs. Fish. On **roll call**, Mr. S. Flancbaum, Mr. Waxman, Mrs. Fish and Senator Singer voted, "**Yes**". Mr. Theibault abstained. **Adopted.**

VII. **Attorney's Report**

Mr. Smith said at this time there is one item in court, a condemnation action to obtain title to the Meisels property. It was filed and the Authority has it, it is recorded and the Authority owns it. There is a process that continues afterwards. The court appointed a committee of three to go down to appraise the property. This is where this item is holding at this time.

Senator Singer asked for an update with the issue with Ms. Laurie Leeds. Mr. J. Flancbaum said the developer was unable to install the water line as proposed. They

are working on a new proposal and some point down the line the Authority might hear something new. Mr. Smith said he has not heard from her in a while.

Mr. Waxman asked if there is any update on the Horizon at Woodlake issue. Was the Authority dismissed? Mr. Smith said the Authority is out of it.

Mr. Ponsi said the reason the issue of the eminent domain and Ms. Laurie Leeds was held up was because they are trying to obtain a permit from the State to construct the water line as they had shown in a C1 stream buffer. They did not note the C1 stream buffer on their initial application. Senator Singer said that they will probably get it.

VIII. Executive Director's Report

1. Resolution Awarding Contract to Mott MacDonald for preparation of Emergency Discharge Limitation Plans

The State has promulgated a new requirement for all facilities that are considered Significant Industrial Users (SIU). Our two treatment facilities, New Hampshire Avenue and Shorrock Street, are considered SIUs. The State is requiring that the Authority prepare and maintain an up to date plan stating exactly what the Authority will do in the event of an emergency and the OCUA will not be able to accept the sludge. A proposal was received from Mott MacDonald to complete a plan for both our of treatment plants for a lump sum of \$8,000.00. The State states that the plan must be completed by January 1, 2018. Senator Singer asked what would be done. Mr. J. Flancbaum that this is geared more towards heavy industrial users. The Authority has some in the Industrial Park and the wastewater facilities. It is an effect of Hurricane Sandy. Mrs. Lapa read **Resolution #17-79 Awarding Professional Services Contract Without Public Bidding Pursuant To N.J.S.A. 40A:11-4.1 et seq.** Motion was made by Mr. Theibault, seconded by Mr. S. Flancbaum. On **roll call**, all members present voted, **"Yes"**. **Adopted.**

2. Resolution Awarding Contract to Electro Maintenance, Inc. for the purchase and installation of a generator and automatic transfer switch for Well #15

A Request For Proposal opening was held on July 27, 2017 for the purchase and installation of a generator and automatic transfer switch at Well No.15. Two proposals were received. They were close in price. The proposal from Electro Maintenance was for \$35,044.00 and a proposal from Fortech Electric was for \$36,150.00. The Authority has done a lot of work with both companies and feels comfortable with both. Since Electro Maintenance is the lower price, it is recommended to award the contract to them for this job. Mrs. Lapa read **Resolution #17-80 Awarding A Contract For The Purchase And Installation Of A Generator With Automatic Transfer Switch At Well No. 15.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted, **"Yes"**. **Adopted.**

3. NJ Water Quality Accountability Act

On July 21, 2017 the Governor signed what is being called the Water Quality Accountability Act into law. Mr. J. Flancbaum wanted to give the commissioners a quick rundown of some of the requirements of the Act. The Authority already does many of the requirements. It is really a best practices act that all water purveyors in the State will have to perform. There are additional items that the Authority will have to take care of over the next couple of years. A copy of the Act was brought up on the conference room screen. The State is requiring inspection of all valves within the system. Valves that are twelve inches or more have to be inspected every two years. Valves that are less than twelve inches have to be inspected every four years. They have to be inspected and

come up with a repair plan for those that need repair. Senator Singer said that this is good. He wanted to know if this can be done in-house. Mr. Robbins said that the Authority operates a good majority of the valves annually during the flushing season. Mr. J. Flancbaum said that this tightens up the game a little bit. Another requirement is that the Authority has to prepare an Asset Management Plan and submit it to the State. Over the next few months we will figure out what needs to be included in the Asset Management Plan. Guidance from the State and from Associations will be needed. Senator Singer said that he is sure that the State will not have it in a few months. They probably will not have it for a year. Mr. J. Flancbaum said that they will start working on it. Senator Singer said not to get too far ahead in it until you find out exactly what is required. He does not want work done and then find out it was not needed to be done. The State has a history of changing their mind. The problem is that it takes time until the rules and regulations are signed and promulgated. Mr. J. Flancbaum said that the Authority has to submit the Asset Management Plan and any improvements in the system to the DEP every three years. Another requirement is that fire hydrants have to be tested and flushed once a year. The Authority has been doing this for the last five to six years. There is a Cyber Risk Management Plan the Authority has to put together. The excellent news is that most of the things needed, the Authority has already done. All that needs to be done is to formalize a plan, which is something that should not be an issue for the Authority. Also, all the assets and facilities have to be put in a GIS system. The Authority is already doing this. A lot of the items that the Authority has been working on in the past couple of years are now State law. Senator Singer said a lot of the Authorities, especially in Ocean County, have to spend a lot of money. They have not begun the GIS system. Mr. J. Flancbaum said that the items that were not budgeted for will be put into the next year's budget. None of these requirements are insurmountable. The Authority should be in good shape with this new law.

Senator Singer asked what is happening with the Solar Field. Mr. J. Flancbaum said that at 10:30 A.M. this morning some pull tests are being done for some of the platforms. They are still finalizing the Interconnection Agreement with JCP&L and also construction drawings are needed. Senator Singer asked when it is expected to be in the ground. Mr. J. Flancbaum said that as soon as permits are received from the Building Department, but the drawings have not been finalized yet. Senator Singer asked Mr. J. Flancbaum if he can push them along a little bit. Mr. J. Flancbaum said he will.

Senator Singer said that in the next month or so a meeting will be held at the Authority with all of the outside engineering firms. It will be made absolutely clear to all the firms that if they go over on any item and do not inform the Authority immediately that there is a substantial problem and will be an overage, this is not including an emergency situation or a small amount of \$50.00 etc., the Authority will not use them again. There was an issue with an engineering firm that thought they can do work without being authorized by the Authority to do it. This was resolved. Senator Singer complimented the staff for working through it. This will not be tolerated anymore. If that is the way they want to do business, they should find another Authority. It is understandable that things happen and costs more, but it needs to be brought to the Authority's attention and then the Authority will decide if and how to proceed. The commissioners are invited to attend. Senator Singer said that what he was talking about was a project that was in development phases and the Authority wanted to take a look at what was the best and most efficient pump to use in one of the new wells. An engineering firm was asked to look at it. They made it into a one week project to look at different pumps available with a price tag of \$22,000.00. That is almost as much as the pump costs. Now they amended it. If we wanted to do such an extensive project, it would have been done in-house. No

one asked them to do it. After they saw that it would take long, they should have come back to us to say it is not a simple thing. Then the Authority would decide whether it wants to do it. You cannot submit a bill of \$15,000.00 over what you were given.

IX. Technical Operations Report

Field Operations Report:

1. NJUA Executive Safety Meeting Report

The Authority successfully hosted the NJUA Executive Safety Committee meeting at our facility on July 20, 2017. Afterwards, we conducted a tour for the 30 plus attendees of the New Hampshire Avenue facility. They were all very impressed with our operation and cleanliness of the facility.

2. Well House Status

All of our newly rebuilt and re-worked wells are fully operational at this time and free of issues.

Technical Operations Report:

3. SCADA Alarm Server Status

The SCADA alarm server and historian platform has been created and completed in house and accepted by the Operations team. From this point going forward, the thousands of points will now need to be tied to their respective alarms. This will deliver specific details to our operations staff as to why there is an alarm and ultimately enable our personnel to address the alarm in a more expeditious and proficient manner.

4. Flow Meter Calibration and Certification Status

The SCADA Integrator and the Electrical Technician were trained on site by our flow meter vendor, Sparling Instruments on July 20, 2017. This training enables the Authority to perform and certify all of our flow meters in house. It also gives the capability to prove such calibrations to the NJ DEP and our water purchasing partners when requested by said agencies. This results in a savings to the Authority of approximately \$3,500.00 every time a Sparling field representative would need to come out to our site to perform such services.

IT Status Report:

5. Meeting with Township IT Coordinator

Mr. Farina together with the Executive Director and IT Coordinator met with Marta, the IT professional from the Township. The Township operations and needs as well as the Authority's needs were discussed. We showed her our server room and equipment. We concluded at the end of the meeting that our IT Coordinator will schedule a visit to her facilities and possibly offer some recommendations in order to address some of the issues. We discussed that while we could not offer a full shared services type of assistance due to our own personal work demand, responsibilities and staffing, but could be there for each other's issues and support, along with offering our assistances when at all possible.

6. Anti-Virus Upgrade Project Completed

The McAfee antivirus upgrade project is now completed and all Authority machines now have the latest and greatest antivirus protection on them.

GIS Report:

7. GIS and Engineering Department Coordination Effort

The GIS Department is coordinating with the Engineering Department in order to handle sewer and water inquiries along with assisting in processing the backlog of as-built waiting for final review approval so that the information can be added to the GIS System.

Senator Singer asked Mr. Farina if he is happy with the second floor of the building addition being totally wired. Mr. Farina said yes. Senator Singer said that it is cheaper to do it during construction than later. Senator Singer also asked if Mr. Farina has looked into what additional equipment will be needed for the expansion. Mr. Farina said as far as equipment goes, there is nothing major needed. Senator Singer said that Mr. Farina should factor in anything that might be needed for the expansion. It should be done when the walls are open as opposed to later on. For example if you want a couple of tubes put in for later use. Just make sure to mark where they are. Mr. Farina said that his general practice is to do extra because it is cheaper. All pre-wiring will be done. As far as major equipment, there is none that comes to mind but he is always keeping it in mind. Senator Singer said he is afraid that the move upstairs will come quicker than thought.

X. Commissioners' Report

Mr. Theibault said that with respect to the Tuscany II subdivision and County Line Estates, at what time do we start building the off-site sewer for it. Mr. J. Flancbaum said the application is already in with CAFRA. As soon as the CAFRA permit is received back, it will be put out to bid and get built. Mr. Theibault asked if it is part of this year's budget. Mr. J. Flancbaum said we knew it was going to happen this year, so it is in the budget. It will also be in the budget for next year, 2018. Mr. Theibault questioned how it works with the subdivision without it being in place. Mr. J. Flancbaum said the pump station pumps and generator have been upgraded. Mr. J. Flancbaum is comfortable with the capacity that we have now but we know it is not a long term solution. So as soon the CAFRA permit is received, which can take a long time, it will get taken care of. Mr. Theibault said it looks like there are a lot of houses, so there will be a lot more flow. Mr. J. Flancbaum said yes, that flow was anticipated. Like mentioned before, the pumps and generator were upgraded. There are redundant pumps inside the wet wells, so if one pump goes down the other one kicks on. We feel comfortable with what we have to accommodate the additional flow that will come in from the new houses.

XI. Meeting Open To The Public

XII. Meeting Closed To The Public

XIII. Adjournment

A motion was made by Mr. Theibault, seconded by Mr. S. Flancbaum to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 10:34 A.M.

Respectfully submitted,

Nechama Lapa,
Secretary, LTMUA