



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

December 5, 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. **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, Mr. Waxman, Mrs. Fish and Senator Singer. Mr. S. Flancbaum was seated as an alternate. 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. Colin Farrell, CEng MIEI, Director of Engineering, Mr. Adam Ponsi, 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 November 8, 2017, was made by Mr. Waxman and seconded by Mrs. Fish. On **voice vote**, all members present voted, "**Aye**". **Motion carried.**
- Chief Financial Officer Report**
1. **Financial Results Review For November 30, 2017**
This is the first month for the new fiscal year. The Authorities net position for the period ending November 30, 2017 is \$134,000.00 which is ahead of the budget by approximately \$63,000.00. The Authority's operating revenues for the month of November is \$565,000.00 which is approximately \$25,000.00 ahead of budget. The increase is being driven by water and sewer service charges. There were no connection fees in November. The water and sewer service charges were about \$28,000.00 ahead

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of the budget. The Authority's expenses for November are \$431,000.00. This is less than the Authority budget.

Mayor Coles arrived at 10:04 A.M. Mr. S. Flancbaum is no longer seated as an alternate.

2. Motion to Approve Operating Voucher

Mr. Rappoccio provided the commissioners and Mr. J. Flancbaum with a list of abstentions. There was one item added to the Operating Vouchers. It was for Stephen Drilling in the amount of \$23,500.00. This was for emergency repair on the Well No. 18 pump. This invoice was received yesterday. The total operating expenses total is \$429,391.01. The escrow account will be disbursing \$54,344.68. The construction account amount to be disbursed is \$136,152.91. The operating account will be disbursing \$338,893.42. A **motion** to approve operating vouchers in the amount of \$429,391.01 was made by Mr. Waxman, seconded by Mayor Coles. On **roll call**, all members present voted, "**Yes**" with noted abstentions. **Motion Carried.**

3. Resolution to Approve the NJEIT Loan Reimbursement

This is for the financing that will be obtained for the building addition. This resolution was recommended by the bond counsel, Capehart and Scatchard. It will draw a line in the sand for any expenses that will be incurred from now going forward. Once the financing is in place, the Authority will be able to get reimbursement for expenses incurred. Mr. Rappoccio clarified that this financing is also for sewer main in addition to the building addition. Mrs. Lapa read **Resolution #17-108 NJEIT Loan Reimbursement.** Motion was made by Mayor Coles, seconded by Mrs. Fish. On **roll call**, all members present voted, "**Yes**". **Adopted.**

Senator Singer said at the League of Municipalities he together with Mr. J. Flancbaum learned of a new program by Prudential that would be beneficial for the Authority and employees. Senator Singer thinks that this is a great program. This program allows employees, while still employed, to put unused vacation and sick days that would be paid at the time of separation from work to be put into an investment. This would be tax free for the employee and the employer. The monies are accruing interest earlier. Also since taxes are not being paid, the full amount is being invested. This is not a retirement account; the monies can be withdrawn any time. Taxes will be paid at time of withdrawal. There is no expense to the Authority or employee. It is a very impressive program. Mr. Rappoccio said he will be meeting with the representatives at either the end of this week or beginning of next week. He will come back to the Board and make a recommendation on this. Senator Singer said he thought that Mayor Coles and Mr. Lichtenstein may want to bring this to the Township. One of the benefits for the Township is that it spreads the payments out instead of one large lump sum at time of separation.

VI. Engineer's Report
Mr. Ponsi's Report

1. RFQ's for Engineering Services Calendar Year 2018

- Resolution Accepting Qualifications

On November 9, 2017 submissions were received from sixteen firms. On November 17, 2017 the Authority issued a review letter. On November 27, 2017 the Authority attorney issued sixteen review letters. At this time the Authority may accept qualifications of all companies with the exception of RPM Engineering conditioned on the Authority Director of Engineering and the Authority Attorney review letters of the qualifications. RPM

Engineering does have the opportunity to submit additional qualifications to show that they can do the work. Mr. Smith said that it has to be clear in the minutes that it is subject to approval of the Director of Engineering and Authority attorney. Mrs. Lapa read **Resolution #17-109 Accepting Submissions In Response To Request For Qualifications For Engineering Services for 2018**. Motion was made by Mayor Coles, seconded by Mrs. Fish. On a roll call, all members present voted, "Yes". **Adopted**.

2. Hydraulic Modeling for 2018

- Resolution Awarding Professional Services Contract
The Authority requires all applications that include a water main extension to provide calculations before construction showing the development will meet the State regulations. On October 24, 2017 the Authority received a proposal from Mott MacDonald to provide Hydraulic Modeling services the cost range based on the project size. This proposal does not require applicants to utilize the Authority's hydraulic model. It is an option for them to use. The rates listed in this proposal have increased by approximately \$50 compared to 2017. At this time the Authority may award a Professional Services Contract to Mott MacDonald for hydraulic modeling. Mrs. Lapa read **Resolution #17-110 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 Mr. Waxman. On a roll call, all members present voted, "Yes". **Adopted**.

3. Regulatory Compliance Assistance 2018

- Resolution Awarding Professional Services Contract
The Authority has many regulatory requirements ranging from the Safe Drinking Water Act, United States Environmental Protection Agency and New Jersey Department of Environmental Protection. The Authority has entered into an annual contract for the past eight years with Mott MacDonald to perform consulting work for these items. On October 24, 2017 the Authority received a proposal from Mott MacDonald for the cost not to exceed \$24,000.00 which is the same amount as last year. At this time the Authority may award a Professional Services Contract to Mott MacDonald for Regulatory Compliance. Mrs. Lapa read **Resolution #17-111 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 roll call, all members present voted, "Yes". **Adopted**.

4. Bureau of Water Systems Engineering Water Master Permit Update 2018

- Resolution Awarding Professional Services Contract
On October 24, 2017 the Authority received a proposal from Mott MacDonald to update the Authority's water master permit in the lump sum amount of \$5,000.00. This is an increase of \$50.00 from the 2017 contract. Mrs. Lapa read **Resolution #17-112 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 Mayor Coles. On a roll call, all members present voted, "Yes". **Adopted**.

5. Connection Fees 2019

- Resolution Awarding Professional Services Contract
Instead of waiting a year to go for another proposal and since at last month the Authority awarded a contract for 2018, the Authority would like to do the 2019 contract now so the work can be done next year without waiting for September and October to prepare for the following year. On October 24, 2017 the Authority received a proposal from Mott MacDonald for connection fee analysis at a cost not to exceed \$2,400.00. This is the same amount as the 2018 amount. Mrs. Lapa read **Resolution #17-113 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 Mayor Coles. On a roll call, all members present voted, "Yes". **Adopted.**

6. GIS Updates 2018

Resolution Accepting Qualifications

On November 1, 2017 the Authority received a proposal from GTS Consultants in the amount not to exceed \$27,830.00 for incorporating information into the Authority's GIS system. This amount is \$40.00 less as compared to last year's budget. The Authority is in the process of transitioning this year. Hopefully this will be the last year of this contract. The Authority's technical operations team will be taking over and transitioning out of this so it can be handled in house. Then Authority will not have this large expense going forward. At this time the Authority may award a contract to GTS Consultants in the cost not to exceed \$27,830.00. Mrs. Lapa read **Resolution #17-114 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 roll call, all members present voted, "Yes". **Adopted.**

7. As-Built Drawings for Residential Applications 2018

Resolution Awarding Professional Services Contract

On November 1, 2017 the Authority received a proposal from GTS consultants to provide As-Built drawings for individual residential dwellings on a per unit basis in the amount of \$1,187.50. If inspection work needs to be done, the cost will be \$799.50 excluding the inspection work, assuming inspection will be provided by another company. This is what is typically used. The total cost is a \$21.00 increase without inspections compared to the 2017 contract. Mrs. Lapa read **Resolution #17-115 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 roll call, all members present voted, "Yes". **Adopted.**

8. New Hampshire and Route 70 74 Unit Development

Resolution Granting Technical Approval

The developer is Yehuda Dachs. On November 10, 2017 GTS Consultants issued technical review letter no. 2. At this time the Authority may grant technical approval to the New Hampshire and Route 70 project conditioned on GTS Consultant's review letter dated November 10, 2017. Mr. Waxman said that for the record he will be abstaining. Mrs. Lapa read **Resolution #17-116 Grant Of Technical Approval New Hampshire and Route 70 74 Unit Development.** Motion was made by Mayor Coles, seconded by Mrs. Fish. On roll call, Mr. Theibault, Mayor Coles, Mrs. Fish and Senator Singer voted, "Yes". Mr. Waxman abstained. **Adopted.**

9. Woodlake Greens

Resolution Releasing Performance Guarantees

This project is from 1999. The bonding company will be taking care of the remaining issues on the project. On November 8, 2017 the bonding company informed the Authority all required punch list items are completed and asked that the performance guarantees be released. The Authority is in the process of inspecting to make sure that everything is done. December 1, 2017 the Authority issued a letter indicating the requirements for the performance guarantees to be released. At this time the Authority may release the performance guarantees conditioned on the Authority's letter of December 1, 2017. Mr. Theibault said he is doing bond work on this project. Mrs. Lapa read **Resolution #17-117 Release Of Performance Guarantees Horizons At Woodlake Greens.** Motion was made by Mayor Coles, seconded by Mrs. Fish. On roll

call, Mayor Coles, Mr. Waxman, Mrs. Fish and Senator Singer voted, "Yes". Mr. Theibault abstained. **Adopted.**

10. Pine Belt Chrysler

- Resolution Releasing Performance Guarantees

On October 19, 2017 the Authority received a submission package requesting permission to have parking within the Authority's utility easement. The Authority will allow it but with some conditions. On October 31, 2017 the Authority issued a review letter detailing the conditions. On November 3, 2017 the Authority issued a revised version of the Authority's March 2, 2017 letter indicating the updated requirements for the performance guarantees to be released. At this time the Authority may release the performance guarantees conditioned on the Authority's letter of November 3, 2017. Mrs. Lapa read **Resolution #17-118 Release Of Performance Guarantees And Revising Certain Requirements Of Resolution 17-39 Pine Belt Chrysler.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "Aye". **Adopted.**

Mr. Farrell's Report

11. Well #18 Emergency Repairs 2017

- Resolution Ratifying Award of Contract

On November 8, 2017 the Authority issued a resolution declaring an emergency for the Well No. 18 repairs to be completed under an emergency contract. On November 8, 2017 the Authority received a proposal from Steffen Drilling to complete emergency inspection and repairs at Well No. 18 in the lump sum amount of \$23,500.00. On November 17, 2017 all repairs were completed at Well No. 18 and the well was put back into service. At this time the Authority may ratify the award of contract to Steffen Drilling for the emergency repairs at Well No. 18 in the lump sum amount of \$23,500.00. Mr. Waxman asked if this is a long term solution or is it temporary. Senator Singer said that this was a permanent fix, but nothing is guaranteed. Mrs. Lapa read **Resolution #17-119 Ratifying The Award Of Contract For The Repairs At Well No. 18 Pursuant To The Declaration Of Emergency.** Motion was made by Mr. Waxman, seconded by Mayor Coles. On a roll call, all members present voted, "Yes". **Adopted.**

12. Well #15 Emergency Repairs 2017

- Resolution Ratifying Award of Contract

On November 8, 2017 the Authority issued a resolution declaring an emergency for the Authority to enter into a contract to provide temporary measures necessary to bring Well No. 15 back into service. On November 8, 2017 the Authority received a proposal from AC Schultes to install a temporary pump at Well No. 15 in the lump sum amount of \$3,100.00. Well No. 15 was brought back into service utilizing the temporary pump installed by AC Schultes. At this time the Authority may ratify the award of contract to AC Schultes to provide and install a temporary pump at Well No. 15 in the lump sum amount of \$3,100.00. Mr. Waxman asked what the long term fix is. Mr. J. Flanbaum said that the temporary pump that was put in the well will be good for as long as it is needed. The permanent pump is in Texas by the manufacturer getting repaired. Senator Singer said that at the League of Municipalities contact was made with the representative of the pump manufacturer, Goulds Pump and we were able to discuss the repair directly. Mrs. Lapa read **Resolution #17-120 Ratifying The Award Of Contract For The Repairs At Well No. 15 Pursuant To The Declaration Of Emergency.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a roll call, all members present voted, "Yes". **Adopted.**

At 10:26 A.M. Senator Singer asked for a two minute break to speak with Mayor Coles and Mr. J. Flanbaum. At 10:28 A.M. Senator Singer, Mayor Coles and Mr. J. Flanbaum returned to the Conference Room and the meeting resumed.

VII. Attorney's Report

Mr. Smith informed the Commissioners that this meeting will be the last as attorney for the Authority. Mr. Smith said representing the Authority was the highlight of his career. Mr. Smith has great gratitude to Senator Singer and all the Commissioners. Mr. Smith hereby tenders his resignation to the Authority. Senator Singer said this is with deep regret. Senator Singer asked for a motion. Motion to accept Mr. Smith's resignation was made by Mayor Coles, seconded by Mrs. Fish. On a **roll call**, all members present voted, "**Yes**". **Motion Carried.** Senator Singer asked Mr. Smith if he can come back at a later date so that the Authority can properly thank him for all his years of service. Senator Singer asked for a motion for himself and Mayor Coles to form a committee to search for an interim attorney until the Annual Re-Organization Meeting in February. Senator Singer will get back to the commissioners later today to confirm. A motion was made by Mr. Waxman, seconded by Mr. Theibault. On a **voice vote**, all members present voted, "**Aye**". **Motion Carried.**

VIII. Executive Director's Report

1. Resolution Authorizing Sale by Auction of Block 189.03 Lot 162

On November 28, 2017 the Authority conducted an auction for the former property of the Woodlake Pump Station. Representative of the three adjacent property owners were in attendance but no bids were received. Mr. J. Flanbaum recommended that it goes out for rebid after New Year's. Should a minimum bid amount be set? Mr. Waxman said yes, it should be set. Senator Singer thanked Mr. Waxman for his input on the amount of the original bid, the appraised value. Senator Singer suggested that the second minimum bid amount should be the amount of money the Authority has in it. Mr. J. Flanbaum said the amount money into it is \$110,000.00. The auction will probably take place the week of January 8th, 2018. Mrs. Lapa read **Resolution # 17-121 Authorizing The Sale At Auction Of The Former Lift Station Property Off Of Pinehurst Drive, Lakewood, New Jersey.** Motion was made by Mayor Coles, seconded by Mrs. Fish. On **roll call**, all members present voted, "**Yes**". **Adopted.**

2. Resolution Adopting 2018 Holiday Schedule

Mr. J. Flanbaum said that the schedule is the same as the Township's schedule. Mrs. Lapa read **Resolution #17-122 Adopting Holiday Schedule For the Year 2018.** Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

3. "Mayors Holiday Celebration" at the Strand Theater

An invitation was received from Mayor Coles for the celebration of the Strand Theater's 95th Holiday Season. This will take place on Wednesday, December 13, 2017. The tickets are \$100 each and a quarter page ad costs \$150.00. A full page ad is \$500.00. Senator Singer asked if a motion can be made to place an ad for \$500.00 in honor of the Mayor. A motion was made by Mr. Waxman, seconded by Mr. Theibault. On **roll call**, Mr. Waxman, Mrs. Fish and Senator Singer voted, "**Yes**". Mr. Theibault and Mayor Coles abstained. **Motion Carried.**

4. **“Play it Safe” Event Hosted by PBA Local # 71 and the Lakewood Civilian Safety Watch**

An invitation was received for the Play It Safe Event hosted by PBA Local No. 71 and Lakewood Civilian Safety Watch. The Authority contributed to it last year. This year’s event will include a special tribute to our Chairman, Senator Singer and Assemblymen Thomson and Kean. Last year the Authority gave \$395.00, which is their sponsorship level. A motion to replicate what was given last year was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, Mr. Theibault, Mayor Coles, Mr. Waxman and Mrs. Fish voted, **“Yes”**. Senator Singer abstained. **Motion Carried.**

Agenda Addition

5. **Loss Control Report**

On November 22, 2017 a safety survey of our facilities was conducted by a representative from the Joint Insurance Fund. In his formal report it states, and I quote that we have “an outstanding safety culture and have addressed many of the technical challenges facing utilities”. Mr. J. Flancbaum thanked the management staff and the entire staff for keeping the Authority facilities safe.

IX. Technical Operations Report

Field Operations Report:

1. **Well #18 Status**

Mr. Farina said he will hopefully address the concerns of the Commissioners as to why this well has failed. There is natural iron buildup in the well and it tends to soften the bowl of the pump. The bowls become inadequate to do the job any further once they are softened. The problem was addressed by televising the well. Next time there is an issue, we will know what has occurred between now and the next time. The well has been scrubbed and chemical washed along with having a new motor and pump. This is a permanent repair and should take the Authority for a minimum of three to five years without any further trouble.

2. **Well #15 Status**

The issue at Well No. 15 was premature failure of brand new equipment. Due to the demands of recharging Well No 17, it was decided that this well needs to get up sooner than later. The manufacturer and the well driller have been taken a long time with this, therefore a decision was made to put a temporary pump in. This enables the Authority to maintain the demands and recharging.

3. **Sewer Jetter Vehicle Status**

The sewer jetter vehicle is currently having its box installed on the chassis and the next step is for the actual jetter skid to be installed and delivered to the Authority.

4. **New Hire-Operations**

We have hired a new laborer /field representative which we are currently running alcohol /substance testing and background checks. We are waiting for the results.

5. **New Hampshire Ave Campus Parking Solution Report**

The New Hampshire Avenue campus parking accommodations were finalized. This should be sufficient for the Authority’s needs going forward indefinitely. The plan is to pave the entire stoned area at the West side of the Operations Building in the fenced in area.

Technical Operations Report:

6. SCADA System Status

All SCADA and microwave systems are running fine. The SCADA alarm server build is now complete and our integrator has asked all the users to report any issues with it in order to aid in the debugging process. This alarm system will be more specific to the operators. When an alarm comes in, they will know exactly where to go so that they can address the problem quicker.

7. Microwave Radio Project Status

With respect to the completion of the microwave radio project, we have been focused on a company called IMT. We are in the process of carefully vetting this company utilizing all of our resources and our capabilities. IMT has come in below their competitor LTW by approximately \$125,000.00. There are still some concerns we have with IMT that require further investigation. I have the radio manufacturer, Ceragon, working on getting me additional contractor leads.

IT Department Report:

8. Cyber Security Preventive Measures Report

In an effort to combat cyber security threats, our coordinator has developed a phishing email and has sent it to all email recipients in both the office and operations departments. This enables observations to be made of the employees' capabilities to detect potentially harmful emails and to question prior to opening. So far approximately fifty percent have refrained from opening the email after detecting something wrong and have questioned the IT department prior to taking action. After this testing is complete, the department will further educate the staff and develop future training to further combat this threat.

9. Barcoding Project Status

Progress is being made on the bar scanning project. It will be ready for testing in the next several weeks.

GIS Report:

10. Staff Equipment Training Status

The Operations staff is currently in the process of training on the new GIS equipment.

11. GPS Data Migration Status

We are continuing the migration of data from consultants to the in house process.

X. Commissioners' Report

Mr. Theibault said that at last month's meeting there was talk with the problem with the DEP and the wells. Is there an update? Senator Singer said that by next meeting either the Authority will hire special counsel or decide on another course. The meetings are not going well. There is some agenda that the DEP has and the Authority is unaware of. They are trying to force the Authority to buy water from Brick and do not know why this is being done. Something is wrong here. Hopefully there will be an answer in the near future.

XI. Meeting Open To The Public

There was no response from the public.

XII. Meeting Closed To The Public

Senator Singer invited the Commissioners to the Holiday Party on Friday, December 22nd at 12 Noon.

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 10:46 A.M.

Respectfully submitted,

Nechama Lapa,
Secretary, LTMUA