



Board of Commissioners

Senator Robert Singer, Chairman

Raymond Coles, Vice Chairman

Anne Fish, Treasurer

Samuel Flancbaum, Assistant Secretary

Michael Sernotti, Commissioner

Craig Theibault, Alt. Commissioner

P. G. Waxman, Commissioner

THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Regular Meeting Minutes

March 3, 2015

- I. Senator Singer opened the meeting at 10:01 A.M. in the Conference Room of the Lakewood Township Municipal Utilities Authority, 390 New Hampshire Avenue, Lakewood, New Jersey.
- II. It was announced that in accordance with Chapter 231, Public Law, adequate notice of this meeting was given and that a notice of this scheduled meeting was filed with the Township Clerk and posted in the Municipal Building in a place accessible to the public and by means of public notices in the Asbury Park Press on February 6, 2015 and The Tri Town News on February 11, 2015.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**
On the roll call the following Commissioners were present: Mr. Theibault, Mr. S. Flancbaum, Mr. Sernotti, Mr. Coles, Mr. Waxman, 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, Auditor, Mr. Justin Flancbaum, Executive Director, Mr. Daniel Rappoccio, CFO, Mr. Paul Morrill, P. E., Mrs. Nancy Lapa, Secretary and Mr. Robert Farina, Instrumentation Department Supervisor.
- V. **Minutes**
A **motion** to approve the minutes of the Reorganization Meeting held on February 3, 2015, was made by Mr. Waxman and seconded by Mr. Sernotti. On a **voice vote**, Mr. S. Flancbaum, Mr. Sernotti, Mr. Waxman and Senator Singer voted, "**Aye**". Mr. Coles abstained since he did not attend. **Motion carried.** A **motion** to approve the minutes of the Regular Meeting held on February 3, 2015, was made by Mr. Waxman and seconded by Mr. Sernotti. On a **voice vote**, Mr. S. Flancbaum, Mr. Sernotti, Mr. Waxman and Senator Singer voted, "**Aye**". Mr. Coles abstained since he did not attend. **Motion carried.**
- VI. **Chief Financial Officer Report**
 1. **Financial Results Review for 2015**

LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

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As of February 28, 2015 the Authority's net position is \$805,000.00. This is slightly ahead of the 2015 budget by \$339,000.00. The revenue is \$3.4 million. That is \$362,000.00 ahead of the budget. This continues to be driven by non-recurring connection fees. The residential services are still behind budget. That gap is starting to close. Mr. Rappoccio is confident as the year goes on, the year to date will be ahead of the budget. Expenses are \$2.6 million which is very close to budget. This is only \$23,000.00 over budget for February. The main reason is the sick leave buyback program, which was a little over \$23,000.00, the Authority had in December. This program was not put in the budget. The expenses look in good shape. Senator Singer asked if there would not have the non-recurring income, what would have been the loss. Mr. Rappoccio said the recurring income is \$340,000.00. So if not for that the Authority would be flat.

The Audit is almost done. Mr. Bauer will give a brief update. Mr. Bauer said he presented a graph of the Audit. Now a meeting with the committee can be set up to meet and review the Audit. The Audit was within the Bond Covenant, so the Authority is fine there. Mr. Bauer spoke with the Environmental Infrastructure Trust regarding the 2008 Bond Issue. They are taking approximately \$33,000.00 from the Trust Fund out of the back side of the last payment. This will reduce our last payment. Most of it is driven by interest that was earned by the Trust monies that was held during that period.

2. Curtailment Service Provider Agreement

Mr. Rappoccio wanted to inform the commissioners about a program that he has been looking into. It is called the Energy Curtailment program. This program is being offered by PJM. PJM is an entity which controls the power grid of the east coast. We have spoken with other Authorities that have participated in this program. The Mount Laurel MUA has been participating for three years. The Jackson MUA is thinking about participating in this program. We are working with them hand in hand with regards to the research of this program.

What is the Program? The program is a power shedding initiative. The PJM calls an event. An event is a timeframe where the Authority would power down the plant. Mr. Rappoccio said he spoke with the Operations Supervisors, Mr. McGregor and Mr. Terry and they are on board with the program. What does an event mean? An event is a time frame that is putting a strain on the power grid. An example would be, it is August and there is five days of one hundred degree weather and everyone is running their air conditioning. The grid is saying that there is going to be a power outage. PJM will then call an event and send notification to the participant. They will notify that an event will take place tomorrow. An event can only last for four hours and take place between 12 noon and 5 p.m. An event will not take place in middle of the night or on weekends, only on weekdays. The Authority would have to put in place a standard operating procedure on how to power down the plant. PJM looks at our electric bills to decide which facilities would participate. Senator Singer asked if the Authority would not be treating the water at that period of time and instead use the water from the tanks. Mr. Flanbaum said yes. Senator Singer asked how long the tanks can sustain without power. Mr. Morrill said it can sustain easily for four hours. Mr. Rappoccio said the key issue that the Authority is looking at is the risk to the Authority. The Authority is not obligated to participate in the event. If an event is called and the operators say that they are not comfortable now for whatever reason, we do not need participate. Senator Singer asked what the Authority

gets for participating. Mr. Rappoccio said for participating you receive a revenue stream. By not drawing that energy, there are energy companies that will bid to purchase that energy. They will pay us a portion of that revenue stream. The company that the Authority has been working with has calculated that Authority could get a revenue stream between \$17,000.00 and \$20,000.00 per year. You get paid that even if an event is not called. In the last two years there was only one event called. It was not the past summer, but the previous one. Mt. Laurel actually participated in the event. Mr. Rappoccio spoke with their operators and they had nothing negative to say about it. Senator Singer said that this is a positive thing to do as a public entity. When there is a problem, JCP&L calls their major users and asks them to cut back so that people in homes do not lose air conditioning and schools do not need to close down etc. There is a public responsibility to be a good corporate neighbor whether the Authority gets money or not. The only concern Senator Singer has is that the senior operator and engineer should say that this is not a problem and the Authority can do it. Senator Singer wants a sign off from them to the Executive Director that it is safe to do so. Everyone has to be on board that there is not a problem. Senator Singer wanted to explain that even though the Authority is saving energy, there is a cost factor to bringing the tanks back up. It probably is a wash with the revenue stream. Even though it saves electricity, it is an expensive way to do it. Whatever the Authority will gain from the \$17,000.00 probably will cost in additional expenses. But it is part of being a good corporate neighbor. We would not want for Four Seasons not to have power, or there be a brown out to the area. Senator Singer asked Mr. Flancbaum if this is a recommendation of the Authority's professionals. Mr. Flancbaum said internally, yes, we feel that we can pull it off. More Utilities Authorities are jumping on board with this. Senator Singer wants to make sure Mr. McGregor and staff and Mr. Morrill and staff are on board. Senator Singer said he would like the minutes to reflect that they are reporting to us from their divisions that they absolutely support it. If that is the case, Senator Singer wanted to know what the commissioners think about this. Mr. Waxman asked if there are generators as back up. Mr. Flancbaum said that one of the requirements of the program is that you cannot run the generators during an event. Mr. Waxman asked how the Authority can function then. Mr. Flancbaum said the Authority can function because the tanks work with hydraulics. Mr. Waxman asked if there is an emergency such as a leak who is going to answer the phones. Mr. Flancbaum said it is only treatment plants that will be powered down, not the office. Senator Singer said if there is an emergency you can go back on. They are not asking you to jeopardize the plants. Mr. Flancbaum said that Mt. Laurel took it a step further. They have special light bulbs they use during an event. Mr. Rappoccio said that Mt. Laurel in their operating procedures states to turn their lights off and they have someone responsible to unplug the coffee maker. Mr. Rappoccio said that the Authority has several accounts with JCP&L - the plants, administration building and well houses. You only opt for the accounts that will be beneficial. Right now the Authority has three accounts that will be beneficial, the New Hampshire Plant, the Shorrocks Street Plant and the administration building. The Authority would only want to use the two plants accounts. If they do not call an event in a year, they ask that you participate in an hour test. It usually takes place in the September-October time frame. You still get paid the estimated amount. If there was an actual event, then they do a simple actual versus what we estimated what we would have paid and that is what you get paid. If you do participate in an event, they give you an additional \$100 per kilowatt hour that you saved to cover the costs of the operations personnel. Also, if you do participate in the event, and two hours into the four hour event you have a problem, you just power back up.

You are not locked into doing anything. Mr. Waxman asked who shuts down the power. Mr. Rappoccio said that the Authority controls it. An operating procedure has to be created for the operations personnel. The Authority controls the event from beginning to end. If the Authority does not participate and participates in the test at the end of the year, next year they Authority would have to go out to bid again. People would not bid because they would say in good faith you did want to be part of this program but you did not participate. The Authority would probably not get any bids. It is essentially a slap on the hand. Senator Singer said to keep in mind that if there is a shut down because of high electric usage, there probably is a water shortage rationing factor also. There probably is every other day watering etc. Senator Singer asked all the commissioners if they think this would be a good idea for the Authority. All commissioners said yes. Mr. Smith said that Mr. Flancbaum asked him to look at a sample contract, but the contract is substantially different than the representation that was made to Mr. Flancbaum said. It has to be gone over. Senator Singer said he wants reflection in the minutes that Mr. McGregor's department, Mr. Morrill's department and the executive director are supporting this and making the recommendation to the commissioners. Senator Singer asked Mr. Smith to get back to them regarding the contract. Mr. Flancbaum said he will have more information for April's meeting. As long as we feel comfortable that the terms reflect this concept, we will request authorization to bid at next meeting.

Mrs. Fish arrived at 10:10 A.M.

VII. Engineer's Report

1. Fire Alarm & Security Systems Installations

- Resolution Awarding Change Order #1
- Resolution Accepting Maintenance Guarantees, Releasing Performance Guarantees & Releasing Retainage

On January 7, 2014 the contract was awarded. The Change Order is a net credit of \$10,000.00. Mrs. Lapa read **Resolution # 15-24 Authorizing Change Order No. 1 Fire Alarm And Security System Upgrades**. Motion was made by Mr. Waxman, seconded by Mr. Sernotti. Mrs. Fish is seated and Mr. S. Flancbaum is no longer seated. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

The resolution accepting Maintenance Guarantees, releasing Performance Guarantees and releasing retainage is conditioned upon review of the Authority's attorney. A letter was received from the attorney and they have to make one minor adjustment to their bond. Mrs. Lapa read **Resolution # 15-25 Release Of Performance Guarantee Accepting Maintenance Guarantee And Releasing Retainage Fire Alarm And Security System Upgrades**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

2. Spruce Street School and Dormitory

- Resolution Granting Technical Approval for Sanitary Sewer
This is required so that the Executive Director can sign the applications to Ocean County Utilities and the NJ DEP. Approval is contingent on the consultant's letter of February 13, 2015. Mrs. Lapa read **Resolution # 15-26 Grant Of Technical Approval Spruce Street School And Dormitory**. Motion was made by Mr. Coles, seconded by Mr. Waxman. Mr. Waxman questioned if the Authority has a guarantee so that the Authority does not have the same problem that was had in Industrial Park with the connection

fees. Mr. Flancbaum said this school made applications. The other ones did not. Mrs. Fish asked which school is this. Mr. Flancbaum said he does not know the name of the school but Abe Auerbach is the representative that has been dealing with the Authority and they have made applications. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

3. Rutgers Boulevard School Conversion

- Resolution Awarding Professional Services contract for Review
- Resolution Awarding Professional Services Contract for As-Built Drawings

These professional services contract are being awarded to Flannery Webb and Hansen Associates. The amount of the contract for the review is \$3,000.00. The contract amount for the preparation of the As-Built Drawings is \$2,300.00. Mr. Waxman said he thought the applicants provide the As-Built Drawing. Senator Singer said they pay for it through their escrow account. Mrs. Lapa read **Resolution # 15-27 Awarding Professional Services Contract Without Public Bidding Pursuant To N.J.S.A. 40A:11-5(1)(a)(i)**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.** Mrs. Lapa read **Resolution # 15-28 Awarding Professional Services Contract Without Public Bidding Pursuant To N.J.S.A. 40A:11-5(1)(a)(i)**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

4. Maintenance and Future Planning Wells 9, 10, 15, & 16

- Resolution Awarding Contract

On February 19, 2015 three bids were received. The lowest bid was from Steffen Drilling LLC in the amount of \$106,000.00. Mr. Morrill wanted to note that there are in there several different contingencies so the amount is expected to be lower than this when it is time to closeout the contract. Mr. Waxman asked if Mr. Morrill has any experience with this company. Mr. Morrill said that the Authority does in a roundabout way. There are all former employees of AC Schultes. Mr. Flancbaum said that for the record AC Schultes had the second lowest bid and they were \$500.00 more. AC Schultes contested the bid. The contest was sent to Mr. Smith. Mr. Smith said that the contest is not valid. Mr. Waxman asked how they can contest the bid. Mr. Smith said AC Schultes contested on the base that the form was technically incorrect. Mr. Smith said the form was not technically incorrect. It is very common occurrence where there is a unit price and they fail to multiply by the number of units, thereby giving an incorrect total. Governmental agencies justify doing the multiplication. It is a math mistake. A math mistake does not invalidate the bid. There is case law on it and it is very clear. Mr. Morrill said that in the specifications the Authority has a procedure established that identifies if this is a problem, this is the procedure that will be used to get the real number. Mr. Smith said that the formula is in the specifications. Senator Singer said that if we did not give the contract to Steffen Drilling LLC, they would sue the Authority. And, they would win. Mr. Smith said that after AC Schultes received his letter they withdrew their opposition. Mrs. Lapa read **Resolution # 15-29 Awarding Contract To Steffen Drilling, LLC For Wells 9, 10, 15 And 16 Maintenance**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

5. Wells 1, 3, & 5 Building Rehabilitations

- Resolution Rejecting Bids

- Motion Authorizing Rebid of Well 19 (formerly well 5) Work
- Motion Authorizing Rebid of Wells 1 & 3 Work

Mr. Morrill said first the bids need to be rejected and then the rebid will be separated for work on Well 19, formerly Well 5, and Wells 1 and 3. Mr. Waxman asked why it is being separated. Senator Singer said that the bid came in significantly more than budgeted. We are trying to find a way to bring it into line. The bid was estimated to be around \$1.1 Million and it came in around \$1.5 Million. The reason it is being done this way is because it was going to be done in middle of the summer which would require doing each facility separately. If it is done in the fall, it can be done at one time. This is a savings to them. Also, in the summer time there was a time restraint. In the fall we do not have that time restraint. It is not that urgent to be done right away. What Mr. Morrill wants to do now will be around \$100,000.00 and then we can look at it afterwards. The worse that can happen is that we come back and say that we did not save any money. Mr. Morrill said that it is correct. Mr. Flancbaum said that Remington Vernick said that they will rebid at no additional charge. Mrs. Lapa read **Resolution # 15-30 Rejecting All Bids Wells 1, 3, And 5 Building Rehabilitations**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

A **motion** was made by Mr. Waxman and seconded by Mr. Sernotti authorizing rebid of Well 19 (formerly well 5) work. On a **voice vote**, all members present voted, "**Aye**". **Motion passed**.

A **motion** was made by Mr. Waxman and seconded by Mr. Sernotti authorizing rebid of Wells 1 and 3 work. On a **voice vote**, all members present voted, "**Aye**". **Motion passed**.

6. Repair and Replacement of Critical Radio Equipment

- Resolution Awarding Change Order #1

At last month's meeting a Change Order for additional surveying and cabling for a contract amount not to exceed \$40,000.00 was recommended. A bucket truck was rented for \$300.00 and using our own personnel we were able to establish the criteria for four of the well sites, bringing down the price from \$40,000.00 to \$24,243.00. Work is being done to eliminate one of the two cranes. We are looking to use the bucket truck instead of one of the cranes and hoping that will bring the cost down. Mr. Morrill said that now the Change Order amount is \$24,243.00 but is hoping to bring it in under that. Mr. Flancbaum wanted to mention that Mr. Morrill, Mr. Farina and Mr. McGregor put their heads together on this. They went out on the bucket truck. They did a nice job. Mrs. Lapa read **Resolution # 15-31 Authorizing Change Order No. 1 Wireless Wan Modification**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

7. Abandonment of the Woodlake Pump Station-Project Status

Mr. Morrill is working with a consultant on this. The plans were prepared. A preliminary discussion was held with JCP&L. They said that they have no problem with the Authority going into their easement. Apparently it was not understood that it was contingent on us going in within a five foot strip along the edge. The Authority's plans were rejected immediately. This is causing several problems with the design. It is going to have to be redesigned. The sewer line will have to be moved. JCP&L absolutely

refuses to cooperate in anyway. Mr. Flancbaum said a meeting was held with JCP&L last week. They are saying that their transmission line which runs from Airport Road to Larrabee Boulevard in Howell is one of the main transmission lines. In the future they may have to upgrade it with a higher KW system and if the Authority's sewer line is in the middle it will block them from upgrading. JCP&L said that there is no guarantee that they will have to do it but if it has to be done in fifteen to twenty years down the road they will not be able to. They do not want to limit themselves and they said that they never allow anything within their easements more than five to seven feet off the edge of the property line. JCP&L said that in this case they will allow the Authority to go seven feet off the property line. They have a 240 foot wide easement. Mr. Waxman asked who owns this property. Mr. Flancbaum said that it is private property but JCP&L has a right of way. The easement would be purchased from the property owner but JCP&L's consent is needed. Mr. Smith said this property is the old Larrabee Farm. Senator Singer said he would like a letter signed by him to be sent to the President of JCP&L saying that the Authority is not happy with the lack of cooperation. Mr. Flancbaum said it took two months to get a meeting with them. Senator Singer said he would like the letter to be signed as Senator Robert Singer. The letter should state that the Authority does not appreciate the lack of cooperation from them, another utility company and we hope in the future to be able to return the favor. Mr. Waxman said that the letter should mention the delay in the meeting is unacceptable. Senator Singer said that this is typical JCP&L. Mr. Flancbaum said that JCP&L said they did not want to meet with the Authority. He had to reach out to the Director of Government Affairs of the State of New Jersey. Senator Singer said he would like the letter to state that he appreciates that Hurricane Sandy has not taught them anything. Senator Singer would like a copy of the letter sent to BPU. The lack of understanding, keeping the Authority waiting two months for a meeting and not allowing the Authority to have twenty feet out of 240 foot right of way would not affect them. It is their way of saying "we do not have to". Mr. Morrill said that they have a wooden pole in the area of the five feet that they allowed, that has to be moved at the Authority's cost. Mr. Morrill said that they will break this project into two phases. It can be bid at one time, but constructed in two phases. Senator Singer said that in regards to the letter, unlike JCP&L, the Authority is a non-profit. They are affecting the rate payers of Lakewood. Mr. Waxman questioned if the Authority has a legal right to condemn it. Senator Singer said no. Mr. Smith said probably not. Senator Singer said if the Authority condemns it the whole project stops. Mr. Smith said he will look at it if the commissioners would like him to. Senator Singer said if it is condemned then the project stops because we will be in litigation. Senator Singer asked Mr. Smith if he is correct. Mr. Smith said technically the Authority has a right to anything but another governmental entities property. They are supervised by the Board of Public Utilities and there may be a government entanglement. Mr. Smith said he has to research it. Senator Singer said JCP&L's pockets are deeper than the Authority's. Mr. Flancbaum said that JCP&L is going to have a similar argument as the Authority in that it is in the best interest of the public etc. Mr. Morrill said they will be meeting with the design engineers this coming Thursday to get this project back up and moving. Mr. Morrill said hopefully they will get this out to bid soon. It was supposed to go out to bid in January. Senator Singer asked how much the redesign is going to cost. Mr. Morrill said he does not know yet. Senator Singer said we should also let JCP&L know because of this there is a large cost for the Authority. Mr. Flancbaum said the Authority has to get new appraisals. Mr. Morrill said that we also have to go back to CAFRA.

VIII. Attorney's Report

New Jersey Business Systems Litigation - Mr. Smith said after he pressured them to answer his interrogatories, they did. The answers were provided on a CD with 1100 pages of intra office emails. Mr. Smith said he started going through them. Some of them were interesting and there may be material there to show. They are very expressive. He is wending his way through them.

IX. Executive Director's Report

1. Resolution Awarding Risk Management Agreement for 2015

This is to award the Risk Management Agreement to Conner Strong and Buckelew. Normally this is the awarded towards the beginning of the year. The JIF did something different this year. They hired an appraiser to go out to the various entities. First they went to see what type of facilities the entities have. Then they appraised the structures to make sure the fund value is not overstated. When the appraiser came to the Authority, we disagreed with some of the values they placed on the properties. We thought that it should be higher. Mr. Flancbaum did not want to bring this to the commissioners to sign this agreement until there was an understanding of where the property values are. Mr. Smith spoke with them and it was explained that the Authority is covered with replacement cost. Even if the appraised value is less on one of the facilities, if it has to be rebuilt the Authority is covered for full replacement cost. Mr. Flancbaum did not want to bring it to the commissioners until he is comfortable with it. The fee for Conner Strong and Buckelew is six percent of the JIF Assessment. The assessment this year is \$76,875.87 and the Risk Management fee is \$4,612.56. We have been very satisfied with their service. They are always ready and available to us. Mrs. Lapa read **Resolution # 15-32 Awarding Risk Management Consultant Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-5(1)(a)(i)**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

2. Ocean County Utilities Authority Deficiency Charge for Calendar year 2015

Every year the Authority gets estimated flows from the Ocean County Utilities Authority for the next year so that it can be budgeted. Last year the Authority was 700,000 gallons over their estimate. The Authority owes them \$2,717.40. The 2015 estimate is the same as 2014. The OCUA estimated that the Authority will discharge 585,000,000 gallons for a total of \$2,270,970.00. That cost is approximately sixty percent of the total sewer operating budget and thirty four percent of the overall operating budget less debt service. Senator Singer asked if they increased the amount from last year. Mr. Flancbaum said that they used the same amount as last year even though the Authority used more than estimate. The amount varies over the last few years. The Authority has gone as high as 620,000,000 in 2010. Mr. Waxman asked if their estimates incorporate projected growth as it goes along or is just based on past use. Mr. Flancbaum said they base it on past usage. Mr. Waxman said then of course we will go over. Senator Singer said it is better we should owe them than they owe us. Mr. Waxman asked if interest is charged on what is owed. Senator Singer no, they do not charge interest.

3. Salary Modification for Systems Integrator

Mr. Flancbaum had a discussion with Mrs. Fish regarding the salary modification. Mohamed Bassyouni was hired around a year ago to facilitate the upkeep, maintenance, repairs of our SCADA system and its peripherals. He has had extensive training over the

last year. He has come a long way. He is at the point where we can send him out to make repairs, programming and wiring of the Authority's integral facilities. Before he was hired the salary range for this position was projected between \$50,000.00 and \$70,000.00. This was based on what other Utilities Authorities pay for this type of position. Although most Utilities Authorities our size do not have this position but the larger ones certainly do. Also, Mr. Farina has been in the industry for thirty years. We came up with that range based on what private and public entities pay for that position. His current salary is \$53,040.00. At this time we would like to increase his salary to \$60,000 with the stipulation that if he meets certain goals, set forth by his Supervisor, his salary will be increased to \$65,000 as of January 1, 2016. That will bring him in line with what that type of position should pay. Mohamed is doing a good job and is well liked. He is always willing to help. He has good relations with his supervisor.

4. Notice of Connection Fee Rate Hearing

There will be a Connection Fee Rate Hearing next month on April 1st at 11:00 A.M. The proposed 2015 water connection fee is \$3,305.00 which is a \$149.00 increase from last year. The proposed 2015 sewer connection fee increase is a \$106.00 increase from last year. Mr. Waxman asked what percentage increase is that. Mr. Flancbaum said he thinks it is under six percent but he will get the percentage and give it to him. Senator Singer explained that this increase is bringing the Authority in line with what people are paying all around us. Mr. Flancbaum said that actually, the Authority is on the lower end of what everyone else charges.

5. Annual Sexual Harassment and Identity Theft Seminars

The Authority conducted the annual Sexual Harassment and Identity Theft seminars on February 25, 2015. This is recommended by the insurance company.

6. Closed Session-Contract Negotiations

Mr. Flancbaum added one item:

7. Disposal of Surplus Property

The Authority will be giving a truck to the Township. Mrs. Lapa read **Resolution # 15-33 Authorizing Disposal Of Surplus Property**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **voice vote**, Mr. Sernotti, Mr. Waxman, Mrs. Fish and Senator Singer voted, "**Aye**". Mr. Coles abstained. **Adopted**.

X. Instrumentation/IT Department Report

1. Well #2 Flow Meters

The removal of the old production and recharge meters that we were not able to calibrate in an ASR Well, Well No. 2 was completed. That would have made the Authority noncompliant with the NJ DEP. Magnetic flow meters were installed in their place. They are calibration certified and up and running. In keeping up with our standardization efforts, these meters are of the same type used throughout our organization.

2. Shorrock Street Pump House SCADA Update

The Shorrock Street well field pump houses are fifty percent complete with regards to replacing the RTU units with the GE brand. Those that are replaced are fully tested and

functional. We are setting our priorities on the completion of the wells as we have a little more freedom with taking them out of service in the off season.

3. Antenna/Radio Project Update

Mr. Morrill, Mr. McGregor and I met with the Project Manager, Lisa from LTW along with two of her field personnel at the Authority's headquarters. We went on a thorough site tour of all the locations in Phase One that will be having their radio and antennas replaced. We discussed the mounting hardware in detail, the exact locations of equipment placement as well as several other technical topics to insure that the contractor and the Authority are in complete understanding of each other's responsibilities. Mr. Morrill, Mr. McGregor and I met yesterday to discuss Lisa's report that she submitted to us as a summary of what took place at that visit. The contractor is now in consultation with their Professional Engineer to verify whether the existing mounting appliances are proper and adequate. Then they will ultimately have their Professional Engineer sign off on those determinations. Authority Engineering, Technical Operations and the Operations Department personnel have gone over the submittals given to us by LTW and have found them acceptable. The time table is being re-adjusted by LTW to account for the inclement weather and to allow for proper LTW engineering acceptances of the mounting hardware. The Authority IT Coordinator, Mr. McBride, is currently meeting with the LTW Network Engineer this morning to verify expectations on that end of the job as well. Once that is complete, we will go ahead and start the construction process. In the process of all of these efforts, all the engineering will be occurring simultaneously with regards to the radio tower construction at the site. That is going to take a bit of time. So instead of waiting for the tower to get built, we will continue with the building and replacement of our radios and at the same time their engineering foundation for the tower at the Shorrock Street site.

4. Fire and Security Systems

Mr. McGregor and I have met with Rich Travelise from Reliable Safety Systems. This company has done several successful remote site security alarm installations for the Authority. We are looking for this company to submit a quote to maintain and service our whole fire and security system as well as providing us with security at the remaining sites that are presently not protected. He has also indicated that he has a viable and inexpensive way to provide us with card key access at our remote sites directly through his security alarm keypad equipment. That will ultimately get rid of the keys and there will be more control of who enters and exits the Authority's properties. His company offers a staff of 10 field service technicians and assures us that his response to an immediate emergency request would be handled within the day if not immediately. Should this company prove to be financially competitive in their cost, we believe this would be the better choice as opposed to whom we now have as a service provider simply because our current contractor, Coastwide Communications is comprised of one person and can no longer respond to our needs in a reasonable fashion.

5. Authority PC Passwords

Our IT Coordinator, Mr. McBride, has implemented the automatic password change program that will alert all Authority PC users that 3 months has expired and it is time to change your passwords along with a 15 day period for all users to comply.

6. Operations Dept. Paperless Effort

Mr. McBride and I have met with Mr. McGregor and Mr. Terry in Operations in order to come up with a practical plan on how to move their department forward with making their time sensitive reports paperless. Like all of our new developments, we are starting off with a small pilot run so that personnel can get used to the change and then ultimately migrate to full implementation

7. CMMS System Update

Barring any unforeseen issues, we plan to roll out the pilot run of the Emaint, the Computerized Maintenance Management System or better known as the CMMS later this month.

Senator Singer reminded that after the meeting is over, the commissioners will have an Elected Official Seminar.

XI. Commissioners' Report

XII. MEETING OPEN TO THE PUBLIC

There was no response from the public.

XIII. MEETING CLOSED TO THE PUBLIC

XIV. MOTION TO APPROVE THE OPERATING VOUCHERS

A **motion** was made by Mr. Coles and seconded by Mr. Waxman to approve the Operating Vouchers in the amended amount of \$1,092,006.89. The added items were for Construction List increase, JCP&L and Mr. Norman Smith. On a **voice vote**, all members present voted, "**Aye**". **Motion passed.**

XV. CLOSED SESSION

A **motion** was made by Mr. Waxman, seconded by Mr. Coles to go into closed session at 10:51 A.M. On a **voice vote**, all members present voted, "**Aye**". **Motion passed.**

XVI. OPEN SESSION

At 11:00 P.M. a **motion** was made by Mr. Waxman, seconded by Mr. Coles for the meeting to go into open session.

XVII. ADJOURNMENT

A **motion** was made by Mr. Waxman, seconded by Mr. Coles to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 11:01 A.M.

Respectfully submitted,

Nancy Lapa,
Secretary, LTMUA