



**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**

**January 3, 2017**

- I. Senator Singer opened the meeting at 3:06 P.M. in the Conference Room of the Lakewood Township Municipal Utilities Authority, 390 New Hampshire Avenue, Lakewood, New Jersey immediately following the Sewer Connection Fee Hearing.
  - 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 9, 2016 and The Tri Town News on February 11, 2016.
  - III. **Salute to the Flag**
  - IV. **Roll Call of Commissioners**  
On the roll call the following Commissioners were present: Mr. Lichtenstein, Mr. S. Flanbaum, Mr. Theibault, Mayor Coles, Mr. Waxman, Mrs. Fish and Senator Singer. The following professionals and key personnel were present: Mr. Norman Smith, Esq., Mr. Gerwin Bauer, Auditor, Mr. Justin Flanbaum, 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 December 6, 2016, was made by Mayor Coles and seconded by Mr. Waxman. On a **voice vote**, all members present voted, "**Aye**". **Motion carried.**
- Chief Financial Officer Report**
1. **Financial Results Review For December 31, 2016**  
The Authorities net position for the period ending December 31, 2016 is approximately \$91,000.00. The Authority's revenue is approximately \$1.3 Million, which is \$40,000.00 ahead of budget. The Authority has met the budget for connection fees. Therefore, the Authority is already into non-recurring connection fees. As of December 31<sup>st</sup>, there is a little over \$10,000.00 in non-recurring connection fees. This will be seen throughout the year. The Authority's expenses through December 31st are \$1.2 Million. This is behind

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budget and this is a good thing. There is nothing significant to report with regards to expenses other than higher repairs and maintenance which came through last month. This was related to a water main break. The expenses and revenue are in line with the budget and Mr. Rappoccio is comfortable with what he sees through December.

**2. Motion to Approve Operating Voucher**

Mr. Rappoccio provided the commissioners with a list of abstentions. A **motion** to approve operating vouchers in the amount of \$502,264.21 was made by Mayor Coles, seconded by Mr. Waxman. On **roll call**, all members present voted, "**Yes**" with **noted abstentions. Motion Carried.**

**3. Resolution Adding New York Life as Approved Life Insurance Option – Tabled**

Mr. Rappoccio added to agenda:

**4. Backflow Prevention Fee**

The company that has done the backflow prevention testing for the Authority is going out of business. Therefore, one of our operators, Greg Briody, has become certified in backflow prevention testing. The fee that Authority will charge for this service needs to get approved by the Commissioners. Mr. Rappoccio did research on how much the Authority was being charged for it and that amount was \$150.00. Other companies charged in the range from \$75.00 to \$200.00. In discussion with Mr. J. Flancbaum and Mr. Robbins, the Operations Manager, it was proposed to charge \$125.00 fee for the backflow prevention testing. Mr. J. Flancbaum said that this is an option being offered to customers that need this service. If the customer wants to go with the Authority it is convenient because the Authority will come basically right away and the price is fair. Then the Authority will collect the revenue. A motion to approve the \$125.00 Backflow Prevention Fee was made by Mayor Coles and seconded by Mr. Theibault. On a **voice vote**, all members present voted, "**Aye**". **Motion carried.**

**VI. Engineer's Report**

**1. Bids for Chemicals and Cold Water Meters for Calendar Year 2017 or 2017-2018**

- Resolution Awarding Purchase of Hydrated Lime

Previously, the bid for hydrated lime was rejected. The current bid was received with two options. One was for one year at \$7.07 per bag and the second option was for two years at \$7.21 per bag. The maximum difference over the two year period would be \$980.00 over the two years. Mr. Waxman asked what is recommended. Mr. Morrill said he would recommend the two year option. It saves the Authority from going out to bid again. Chances are that if the Authority goes out to bid next year, it will be higher. The resolution will award a two year contract. Mrs. Lapa read **Resolution #17-03 Awarding Contract For Hydrated Lime To Lowest Bidder.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

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

- Resolution Rejecting Bids
- Resolution Awarding Contract

A phone poll was done to reject the Unitech bid because of a fatal error in the bid document and also a phone poll was done to award the bid to the second lowest bidder, Steffen Drilling, LLC. The resolution to reject and resolution to award was consolidated into one resolution. Senator Singer said the attorney said there was a fatal flaw and it cannot be awarded. Also, there was a concern that when going out to bid again there might be a chance of higher bids. Mr. Morrill said that is correct. Mrs. Lapa read **Resolution #17-04 Rejecting Bid of Uni-Tech Drilling and Awarding Contract to**

**Steffen Drilling LLC for the Redevelopment of Wells No. 1 and No. 3.** Motion was made by Mr. Waxman, seconded by Mr. Theibault. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

**3. Pine River Village**

- Resolution Releasing Maintenance Guarantees

The Maintenance Guarantees may be released based on the Authority's letter of December 22, 2016. The Authority will hold a \$10,000.00 Cash Guarantee until all punch list items are completed. Mrs. Lapa read **Resolution #17-05 Release Of Maintenance Guarantees Pine River Village Development.** 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.**

**4. Chestnut Street Development**

- Resolution Releasing Performance Guarantees

The Performance Guarantees can be released on conditioned of the Authority's letter of December 22, 2016. Mr. Theibault asked who the developer is. Mr. J. Flancbaum said Yehuda Dachs. Mr. Theibault asked for the name of the development. Mr. J. Flancbaum said it is Stamford Hills. Mr. Theibault said he will have to abstain on the vote. Mrs. Lapa read **Resolution #17-06 Release Of Performance Guarantees Chestnut Street 68 Townhome Development.** Senator Singer asked Mr. Morrill if he can put the name of the developer and the name of the development on the agenda in the future. Motion was made by Mayor Coles, seconded by Mr. Waxman. On **roll call**, Mayor Coles, Mr. Waxman, Mrs. Fish and Senator Singer voted, "**Yes**". Mr. Theibault abstained. **Adopted.**

**5. Route 88 33 Unit Development and Community Building**

- Resolution Releasing Performance Guarantees

This development is known as Ocean Avenue Development LLC. The Performance Guarantees can be released conditioned on the Authority's letter of December 22, 2016. Mr. J. Flancbaum said that the builder is Mordechai Sternstein and it is called Ocean Place. Mrs. Lapa read **Resolution #17-07 Release Of Performance Guarantees Route 88 33 Unit Development.** Motion was made by Mayor Coles, seconded by Mrs. Fish. On **roll call**, Mayor Coles, Mrs. Fish and Senator Singer voted, "**Yes**". Mr. Theibault and Mr. Waxman abstained. **Adopted.**

**6. Locust 48 Lot Townhomes**

- Resolution Releasing Performance Guarantees
- Resolution to Issue Contribution for Offsite Improvements

Mr. J. Flancbaum said that the developer is Menashe Frankel and the development is called Vine Grove. Mrs. Lapa read **Resolution #17-08 Release Of Performance Guarantees Locust Street 48 Unit Development (Vine Grove).** 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.** Mrs. Lapa read **Resolution #17-09 To Issue Contribution For Offsite Improvements (Vine Grove).** 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.**

**7. Vermont 54 Unit Subdivision**

- Resolution Releasing Performance Guarantees

The developer is Locust Acquisitions LLC. Mr. J. Flancbaum said the name is Menashe Frankel and the development is Vine Park. Mrs. Lapa read **Resolution #17-10 Release Of Performance Guarantees Vermont 54 Unit Subdivision**. Motion was made by Mayor Coles, seconded by Mr. Waxman. On **roll call**, Mayor Coles, Mr. Waxman, Mrs. Fish and Senator Singer voted, "**Yes**". Mr. Theibault abstained. **Adopted**.

#### 8. Shenandoah Manor

- Resolution Releasing Performance Guarantees

The developer is 319 Cedarbridge LLC. The Performance Guarantees can be released conditioned on the Authority's letter of December 22, 2016. Mr. J. Flancbaum said that the name of the developer is Noah Gordon. Mrs. Lapa read **Resolution #17-11 Release Of Performance Guarantees Shenandoah Manor**. 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**.

#### 9. Update of Rules and Regulations

- Motion Approving Addendum #21

This would eliminate any fees for projects that require a letter of no interest and update construction details for internal drop connections. A motion was made by Mr. Coles, seconded by Mrs. Fish to Update the Rules and Regulations with Addendum No. 21. On a **voice vote**, all members present voted, "**Aye**". **Motion Carried**.

### VII. Attorney's Report

Mr. Smith introduced his son, Mr. Steven Smith, Esquire, a prominent Manhattan attorney.

Senator Singer introduced Mr. John Turk who is on staff in Senator Singer's office.

Mr. Smith reported that the Horizon's at Woodlake litigation is in quiet mode at this time. Mr. Smith is doing very little if anything on it. Mr. Waxman wanted to know if the judge released the Authority. Mr. Smith said not yet but they are going to. Therefore Mr. Smith said he is not doing anything on this. His understanding is that they do not have a claim against the Authority. The only reason the Authority was named was if the judge decided something had to be done he would have the Authority in front of them to say this is what he wants the Authority to do. Mr. Waxman asked Mr. Smith if he made a motion. Mr. Smith said not yet. Mr. Waxman wanted to know what could be lost by making a motion. Mr. Smith said he will do it when he thinks it is the right time. Mr. Waxman asked if the Authority will lose rights by not making the motion earlier. Mr. Smith said no. He can move and withdraw at any time. Mr. Smith said he has been in contact with other attorneys. If they oppose it, then Mr. Smith will make the motion and file suit quickly. Mr. Smith said he has confidence that everything will work smoothly and he will make the motion at the right time. He expects it will be short. Mr. Smith wants consent of the counsel.

Mr. Smith filed a separate lawsuit against Harvard Partners to collect \$6,000.00 and change that is owed the Authority for a long time. They have ignored Mr. Smith's and the Authority's letters. At Mr. J. Flancbaum's request he started a collection action. Mr. J. Flancbaum said that it was confirmed that it was received. Senator Singer asked where they are located. Mr. J. Flancbaum said he thinks the mailing address is in Brooklyn. They said they received the complaint and they will come in and pay. That was about one and one half weeks ago. Senator Singer asked if they built something. Mr. J. Flancbaum said that they have a fifteen lot subdivision that was approved by the

Township several years ago but nothing was built. They have an active application with the Authority but the escrow account was deficient for a while. They ignored the Authority, therefore the Authority filed a complaint and they responded. Mr. Smith said if they would not pay he would file a judgement against them.

## **VIII. Executive Director's Report**

### **1. Resolution Authorizing Execution of a Risk Management Consultant's Agreement with Conner, Strong, & Buckelew**

As in previous years the fee charged is six percent of the annual JIF assessment. The 2017 JIF assessment is \$80,304.00. The Risk Management Consultants fee will be \$4,818.00. Conner, Strong and Buckelew has always given good service in the past and we would like to award them the contract again this year. Mrs. Lapa read **Resolution #17-12 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 Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

### **2. Resolution Designating a Public Agency Compliance Officer (P.A.C.O)**

This resolution is usually passed at the annual Reorganization Meeting but this year a letter was received from the State that it is due by January 10<sup>th</sup>. As in previous years, Ms. Ellen Stensgaard has been the PACO Officer and we would like to designate her again for 2017. Mrs. Lapa read **Resolution #17-13 Designating Public Agency Compliance Officer (PACO)**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

### **3. Resolution Awarding Contract to Steffen Drilling, LLC for removal and Inspection of Well 16 Submersible Pump**

A Request For Proposal opening was held on December 27, 2016 for removal and inspection of the Well No. 16 submersible pump. The purpose of the inspection is to determine the source of failure of the well. The price includes a televised inspection of the well head, a detailed report of the findings as well as a copy of the video. Also included are recommendations for repair including a budget estimate for repair of the pump. Two proposals were received. One was a proposal from Steffen Drilling for \$2,280.00 and the second proposal was from Uni-Tech Drilling for \$5,600.00. Mr. J. Flancbaum recommends award of contract to Steffen Drilling. Mrs. Lapa read **Resolution #17-14 Awarding Contract To Steffen Drilling, LLC For The Removal And Inspection Of Well No. 16 Submersible Pump**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

Mr. J. Flancbaum added to agenda:

### **4. Resolution Awarding Contract o Remington, Vernick and Vena-GIS Software**

Mr. J. Flancbaum has a resolution awarding a contract to Remington, Vernick and Vena for preparation of bid specs for the purchase of GIS software. The proposal has been reviewed by the Authority's GIS Specialist. The contract is for \$3,500.00. Mrs. Lapa read **Resolution #17-15 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**.

## **IX. Instrumentation/IT Department Report**

### **1. SCADA Activity Update**

SCADA work on the process alarm system, the tablet feeders and the chemical feed pump systems are progressing quite well. The second new replacement Shorrock Street SCADA computer was received. It will be put into service later this month.

### **2. Wireless Communication Update**

Mr. Farina has been reviewing the microwave radio and two way radio quotes with Mr. J. Flancbaum. It was decided to seek out another vendor to give a quote on the additional radio systems. Mr. J. Flancbaum reached out to the Lakewood Police Department to see who they used for their two way communications. This led to a meeting with their vendor to discuss a system that could possibly be incorporated into the Township's newer robust system. This would eliminate the need for the Authority to have their own antennas and repeater transmitter. Latching on to the Department of Public Work's system would offer complete separation of the two systems, keeping them isolated from one another, so that the two organizations would not have to hear one another's transmissions. Mr. J. Flancbaum will reach out to the Department of Public Works to see if an agreement could be made regarding this plan. If so, the Authority would only have to foot the cost of the integration into their system as well as the cost of the portable radios. The Authority would pay their share of the maintenance costs to the system. The Authority is reaching out to at least one other vendor and contractor for the remaining microwave radios to see if they offer a better choice in equipment and a better price.

### **3. Utility Pole Update**

The re-deployment of the wooden poles had to be put off until an FAA approval of the poles can be had in order to satisfy the local permitting requirements.

### **4. Completed Control/SCADA Rooms Update**

Up on the screen, the Commissioners were shown a photos showing the newly completed control room at the Shorrock Street Water Treatment Plant, the new SCADA/electrical room installed inside the base of the Airport Tank and the new server equipment in the Administration Building.

## **IT Status Report:**

### **5. Server Upgrade Report**

The new server upgrades for the entire organization went off as planned with very little issues resulting in the aftermath. These were addressed and taken care of. The Authority now has an entirely new hardware and UPS battery backup with these systems. The old server equipment will be re-purposed and installed at the new Shorrock Street control room. This will serve as one of the two off site backup data disaster recovery systems. The redundant backup data disaster recovery system will be located virtually in the cloud.

### **6. GIS Update**

The Authority has received GIS hardware equipment as part of the grant received last month. The Authority's GIS specialist has been working with the device in order to familiarize himself with it. He will then deploy the unit so that we may begin to roll out some GIS demonstrations to our Operations Department personnel and in addition, give them some hands on with the equipment as well. He has also given me and Mr. J. Flancbaum a demonstration on how the software that was received via the grant will work for the Authority.

**X. Commissioners' Report**

**XI. MEETING OPEN TO THE PUBLIC**

**XII. MEETING CLOSED TO THE PUBLIC**

**XIII. CLOSED SESSION**

**XIV. OPEN SESSION**

**XV. ADJOURNMENT**

**A motion** was made by Mr. Waxman, seconded by Mrs. Fish to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 3:32 P.M.

Respectfully submitted,

Nechama Lapa,  
Secretary, LTMUA