



Board of Commissioners
Senator Robert Singer, Chairman
Mayor Raymond Coles, Vice Chairman
Craig Theibault, Treasurer
Anne Fish, Assistant Secretary
P. G. Waxman, Commissioner
Samuel Flancbaum, Alt. Commissioner
Meir Lichtenstein, Alt. Commissioner

THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Regular Meeting Minutes

November 6, 2019

- 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 19, 2019 and The Tri Town News on February 20, 2019.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**
On roll call the following Commissioners were present: Mr. Lichtenstein, Mr. S. Flancbaum, Mayor Coles, Mrs. Fish, and Senator Singer. Mr. Lichtenstein and Mr. S. Flancbaum were seated as alternates. The following professionals and key personnel were present: Mr. Adam Pfeffer, Esq., Mr. Gerwin Bauer, 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, Director of Operations and Ms. Robyn Gaynor, Office Administrator/Acting Secretary.
- V. **Minutes**
A **motion** to approve the minutes of the Regular Meeting held on October 8, 2019, was made by Mrs. Fish and seconded by Mr. Lichtenstein. On a **voice vote**, Mr. Lichtenstein, Mr. S. Flancbaum, Mrs. Fish and Senator Singer voted "**Aye**". Mayor Coles abstained. **Motion carried.**
- VI. **Chief Financial Officer Report**
 1. **Financial Results Review For Period Ending October 31, 2019**
The Authority is at the end of the fiscal year. The Authority had a very good year. The Authority maintained favorable results in comparison with the Annual Budget. The Authority's net position for the period ending October 31, 2019 is approximately \$3.3 Million which is approximately \$220,000.00 ahead of budget. The Authority's operating revenue is approximately \$11.5 Million which is approximately \$523,000.00 ahead of the budget. This continues to be driven by the water and sewer service charges and

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efficiencies in the automated billing system. There are also non-recurring connection fees. The Authorities expenses were slightly higher than budget by approximately \$294,000.00. This is being driven mainly by engineering costs to satisfy ongoing water allocation requests from the DEP.

Mr. Waxman arrived at 10:03 A.M. Mr. Lichtenstein is no longer seated as an alternate.

2. Motion to Approve Operating Vouchers

Mr. Rappoccio provided the commissioners with a list of abstentions. The amount for the Operating Expense Vouchers is \$1,378,761.10. A **motion** to approve operating vouchers in the amount of \$1,378,761.10 was made by Mr. S. Flancbaum, seconded by Mayor Coles. On **roll call**, all members present voted, "Yes" with **noted abstentions. Motion Carried.**

3. Resolution to Approve 2019 Budget

The Budget will be submitted to the State for review. A budget committee meeting was held last week. The Capital and Operating Budgets were discussed. There is a rate increase that was approved last year that will be implemented over three years. This year there will be a 7.5 percent increase which will be impacting the sewer rate. This will take effect in January. This is basically to cover the debt service for the two main capital projects, County Line and Ridge Avenue gravity sewer lines. Mr. Rappoccio asked Mr. Bauer if he had anything to add regarding the budget. Mr. Bauer said everything is on target. Mr. Rappoccio did an excellent job on the capital end. Senator Singer said to keep in mind that not everything in the capital budget will be done this year. The Authority always plans ahead. Even with the rate increase, the Authority's rates are lower the competitors. Mr. Bauer added that the debt services for the new bonds are not included in this budget. They will not go into effect until the subsequent year. Mr. Waxman questioned how much was the budget amount that was voted for. Mr. Rappoccio said the capital amount was a little over \$9 Million for 2020, over five years. The two sewer lines are over \$2 Million. Ms. Gaynor read **Resolution No. 19-103 Approving 2019 Budget.** Motion was made by Mr. Waxman, seconded by Mayor Coles. On **roll call**, all members present voted "**Yes**". **Adopted.**

Added on to agenda:

4. Flexible Spending Account (FSA)

Mr. Rappoccio said that the commissioners are eligible to participate in the FSA benefit. This is a pre-tax deduction for qualified health care expenses, such as copays, prescription expenses. You can also put pre-tax dollars aside for day care expenses. You do not have to participate in the State Health Benefits Program to participate in the FSA. Senator Singer said the money would come out of your check. It is pre-tax so if you are in the forty percent tax bracket, forty cents of every dollar is free. Not only is it good for copays, it can be used for braces, eye glasses and any medical expense like that. It used to be that if you did not use the money put aside, you lost it. Now if you do not use the full amount put aside, \$500.00 can be carried over to the next year. You can get a debit card for your wife also. It is a way of saving. Whatever you would have been paying to taxes, you now have for yourself. Mr. Rappoccio said he has handouts with information. There are websites to go on. If you want to participate, fill in the last page and give to Mrs. Lapa.

Senator Singer congratulated Mr. Robbins on his win last night.

VII. Engineer's Report

Mr. Ponsi's Report

1. Update of Rules and Regulations

- Motion Approving Addendum No. 35

The Authority is revising a construction detail of the master materials used. This is a detail from 1991 that was never updated. At this time the Authority may approve Addendum No. 35 to the Rules and Regulations. A **motion** to approve Addendum No. 35, was made by Mr. S. Flancbaum and seconded by Mrs. Fish. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**

2. Flea Market Residential and Commercial Development (Flea Market Developers, LLC – Jack Klugman)

- Resolution Granting Conceptual and Technical Approval

On October 28, 2019 T&M Associates issued a letter with conceptual review no. 3 and technical review no. 2. At this time the Authority may grant conceptual and technical approval for the Flea Market Development conditioned on the letter. Ms. Gaynor read **Resolution No. 19-104 Grant Of Conceptual And Technical Approval Flea Market Residential and Commercial Development.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted "**Aye**". **Adopted.** Mr. Waxman asked if the water allocation issues were resolved. Mr. J. Flancbaum said yes. Senator Singer said that the Authority has to buy water.

3. Locust Street & Route 70 74 Unit Ramada (124 Locust Developers, LLC – Jack Klugman)

- Resolution Granting Final Approval

On October 16, 2019 T&M Associates issued technical review no. 4 and final review no. 1. At this time the Authority may grant final approval to the Locust Street & Route 70 74 Unit Ramada development conditioned on the T&M Associates review letter dated October 16, 2019. Ms. Gaynor read **Resolution No. 19-105 Grant Of Final Approval Locust Street & Route 70 74 Unit Ramada.** Motion was made by Mayor Coles, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted "**Aye**". **Adopted.**

VIII. Attorney's Report

Mr. Pfeffer said he has nothing to report. Business is as usual.

IX. Executive Director's Report

1. Resolution awarding contract to Uni-First Corporation for procurement of uniforms and sanitary supplies

A proposal was received for uniforms and sanitary supplies from Uni-First through the Sourcewell Cooperative Purchasing program. The cost for the uniforms will be \$5,000.00 a year and sanitary supplies for the bathrooms and kitchen will be around \$10,000.00 a year. In total we are looking at a savings of approx. \$11,000.00 a year versus what the Authority is currently paying. Ms. Gaynor read **Resolution No. 19-106 Authorizing The Award Of A Contract For Uniforms And Facilities Maintenance.** Motion was made by Mr. Flancbaum, seconded by Mrs. Fish. On **roll call**, all members present voted "**Yes**". **Adopted.**

Added on to agenda:

The Authority's energy supplier for all facilities except for the New Hampshire Avenue Complex, because it has solar, has filed for bankruptcy. The company that is buying

their book wants to terminate the Authority's contract because the rate is so low. The Authority will have a reverse auction this morning at 11:30 A.M. This will prevent the Authority from paying the high price of JCP&L. Mr. J. Flancbaum asked the Commissioners for permission to award a contract after the auction to the lowest bidder. Senator Singer said as long as it is lower than JCP&L. A **motion** to approve awarding a contract to the lowest bidder for energy supply was made by Mr. Waxman and seconded by Mayor Coles. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**

Senator Singer said we hope to have a ribbon cutting ceremony for the new building after next month's meeting with some food after. It will be arranged around the Mayor's schedule. Senator Singer asked all the commissioners if that works for them. It did. Mr. Waxman suggested setting a time. The Township Committeemen and others may want to come. Senator Singer said it will probably be around 11:30 A.M. after the meeting. Mr. J. Flancbaum said he will follow up with everyone in around a week's or so time to make sure that the building is absolutely completed by then.

X. Technical Operations Report

Field Operations Report:

1. Well No. 2 Status

Well No. 2 was put back to full operation last month and is now currently in the winter re-charging mode. Our consulting engineers are working on the best method to address the aging column pipe.

2. New Operations Dept. Personnel

Two of our new laborers have started their employment with the Authority last month and seem to be doing well so far. The new Water Treatment Operator started this past Monday. Senator Singer asked if there is a better title than laborer. Mr. J. Flancbaum said field technician. Senator Singer said he liked that better.

Technical Operations:

3. SCADA/Comm. Status

All SCADA and communications systems are performing well with some routine maintenance and modifications being performed last month by our vendor.

4. Admin SCADA

Our SCADA system now has an active RTU in the Administration Building that monitors temperature in both our server rooms and flood monitoring in four vulnerable areas of the Administration Building as well. Should any abnormal temperatures occur or a water leak in said areas, SCADA will alarm out for personnel to respond and address the issue.

5. Microwave Antenna System Update

We now have a microwave antenna service agreement in place with our vendor, Let's Think Wireless. This is important now that we are coming to bad weather and some outages may be experienced.

IT Department:

6. New Business Machine Acquisition Status

We are working with the Office Manager in getting pricing on new copier machines and two commercial type printers for the billing and check processing tasks.

7. Sensus Upgrade Status

We are working with our vendor Core & Main with regards to moving forward with the Sensus upgrading effort.

8. Code Red Training Update

We are going to proceed with the Code Red training for the Operations staff. We were waiting for the three new employees to come on board.

GIS Department:

9. Facilitation of Operation's Record Keeping

We are creating a data entry form for Operations to support critical record keeping. We are going away from paper and pencil and going towards paperless.

10. Tablet Hardware Quotes

We are in the process of receiving quotes for field operations tablet hardware to move away from the paper and pencil aspects as well.

Senator Singer said he discussed with Mr. J. Flancbaum, that everything that is done in Operations Plants should have a check off on the tablets. Regardless how simplistic it is, they should have to check it off and sign off. It has to be made foolproof. So they cannot say I forgot etc. If we do not do it this way, we only have ourselves to blame. Not just the signage into the facilities, they will have a tablet to check off and sign it. If they do not, it will be blatant disregard. Senator Singer asked if fire drills are run. Mr. J. Flancbaum said yes, we just had one around a month and one half ago. Senator Singer said he is very happy that the elevator was put in now. Was a price gotten for hard wiring it? Mr. J. Flancbaum said he got one price this morning. He is working on a second price because it was about \$13,000.00. Senator Singer said it is very high. Mr. J. Flancbaum said that is why they are going for another one. Senator Singer said he does not know why but the elevator is being hooked to the generator. Which makes sense, but the problem is that the generator is located in the other building. State law requires there to be a light in the elevator that says you are on generator. You have to pull a wire from the generator to the elevator in a conduit. That is what they want to charge \$13,000.00 to pull the line from the generator to the elevator. Mr. Waxman asked if it can be done with Wi-Fi. Senator Singer said it has to be a hard wire. They said it costs \$13,000.00 to bring the wire over. Mr. Lichtenstein asked how big the conduit is. Mr. Farina said there is plenty of space for it. The conduits vary from three inches to four inches. There are three pulling points. The last pulling point, which is the biggest pulling point, is an empty four inch conduit. The others have wires through them, but there is plenty of room. Basically they are pulling three conductors. Two are needed, but we figured to do a spare once while we are doing it. There are six pairs of wire. The reason it cannot be done Wi-Fi is because the elevator has to put thirty volts on. Senator Singer said he was hoping the electrical contractor would do it because he gets nervous when different contractors work on the same thing and then when something goes awry, they say it was not us. Mr. J. Flancbaum said we have another person coming down to check out the job. Senator Singer said he cannot see this job costing more than \$3,000.00. Mr. Farina said to protect the Authority, the elevator people will make the connections. Mr. Farina said he did not think it would cost more than \$5,000.00 given the high cost of labor. Mr. J. Flancbaum said we need to pay prevailing wage. Mr. Lichtenstein asked if this is to power the elevator. Senator Singer said no, this is for the indicator showing when the elevator is on generator power. It should be a \$500.00 job. Mr. S. Flancbaum asked how long this job should take. Mr. J. Flancbaum said the electrical contractor put down two days. Mr. Farina said assuming

there is no problem, it should take two hours. Mr. Waxman asked how long of a distance. Mr. Farina said it is 514 feet total. Mr. J. Flancbaum explained that it was not on the plan. The elevator people told the Authority it needs to be done. They said the elevator needs to be wired to the generator so an indicator light goes on when it is on backup power. This is required by State Code. The State inspects the generator. Senator Singer said the Township does not have a generator. He thinks it is required if you hook it up. Many buildings have elevators and do not have generators. Mr. J. Flancbaum said he will check into it. Mr. Farina said the situation is that since the building is automatically backed up by a generator, by default you have to have that return. We have no choice, other than to take the Administration building off the backup generator. This is State Code. Senator Singer said to tell the electrical contractor not to use the Authority as a reference. Mr. J. Flancbaum said he does not think that they would at this point. Any price the electrical contractor gave was out of sight. That is the reason we are using our own people for fire and the server room. Senator Singer said there were problems with the electrical contractor. They were taking their time. The GC has now put their superintendent here to finish the job. Their work seems to be good though. Senator Singer asked if the doors were done yesterday. Mr. J. Flancbaum said the two exterior doors are totally alarmed and we are going to leave the opening as is. Senator Singer asked why you are leaving it. Mr. J. Flancbaum said it is big enough, it is ADA compliant and no reason to start cutting. He spoke this morning to the general contractor, if they will start cutting the concrete, then the lintels will have to be cut and be replaced or they will have to put another piece of steel there. Mr. J. Flancbaum told them to leave it. It is ADA compliant. It is a nice opening and looks fine. Senator Singer asked if the door was taken off. Mr. J. Flancbaum said yes it was taken off. It was on the plan to enlarge it. Senator Singer said the Authority should get a credit for it. Mr. J. Flancbaum said that when we go through the final bill, there will be other stuff to offset it. The GC has done other things that they will not charge us for. Mr. Waxman asked if the Authority is happy with the general contractor. Mr. J. Flancbaum answered yes, we are very happy. It is the electrical contractor that did not want to do any additional business. Senator Singer asked if the siding is up yet. Mr. J. Flancbaum said the siding is getting put up as we speak. It is metal pieces that are being put up one at a time. It is a labor intensive job. Senator Singer asked if the air conditioning is working in the server rooms. Mr. Farina said their electricians have to put in the cutoff switch. Then our HVAC contractor will come back to tie it in and get it going. It is ninety nine percent done.

XI. Commissioners' Report

XII. MEETING OPEN TO THE PUBLIC

XIII. MEETING CLOSED TO THE PUBLIC

XIV. 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 10:31 A.M.

Respectfully submitted,

Nechama Lapa,
Secretary, LTMUA