



Board of Commissioners

Senator Robert Singer, Chairman

Mayor Raymond Coles, Vice Chairman

Craig Theibault, Treasurer

Anne Fish, Assistant Secretary

Yocheved Miller, Commissioner

Samuel Flancabaum, Alt. Commissioner

Meir Lichtenstein, Alt. Commissioner

THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Regular Meeting Minutes

September 6, 2023

- 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, NJ 08701
- 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, 2023 and the Lakewood Shopper on February 9, 2023.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**
On roll call the following Commissioners were present: Mrs. Fish, Mrs. Miller, Mayor Coles, Mr. Theibault, Mr. S. Flancabaum, Committeeman Lichtenstein and Senator Singer.
The following professionals and key personnel were present: Mr. Adam Pfeffer, Esq., Mr. Gerwin Bauer, Auditor, Mr. Justin Flancabaum, Executive Director, Mr. Donald Sondak, Chief Financial Officer/Human Resources Director, Mr. Harry Robbins, Operations Manager, Mr. Colin Farrell, CEng MIEI Director of Engineering and Mr. Adam Ponsi, P.E.
- V. **Minutes**
A **motion** to approve the minutes of the Regular Monthly Meeting held on August 1, 2023, was made by Mr. Theibault and seconded by Mayor Coles. On **roll call**, all seated members voted **“Yes.” Motion carried.**

LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

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VI. Chief Financial Officer Report

Given by Mr. Donald Sondak, CFO/Human Resources Director

1. Resolution Authorizing long term funding for the GAC Buildings and Wells

Mr. Sondak discussed that the board approved our Short-Term Funding requests in previous meetings for both GAC projects, the buildings and well treatments and today we have a resolution to authorize the Long-Term Revenue Bonds to fund the GAC Buildings and GAC Tank projects. Although this Long-Term Bond solution will not be required perhaps until 2025, this resolution is required at this time as part of the iBank's new requirement for submitting Short Term Funding Requests.

- **Resolution No. 23-72** Authorizing the issuance of not to exceed \$13,500,000 revenue bonds of the Authority through the NJ Infrastructure Bank Financing Program

Motion was made by Mrs. Fish, seconded by Mayor Coles. All Board members are required to vote. On **roll call**, all members voted **"Yes."** **Adopted.**

2. Resolution declaring the intent to reimburse for the Meter Replacement Project

Mr. Sondak talked about how the iBank funding for projects has 3 distinct phases which we will comply with for funding. We have just concluded the final phase for the GAC Buildings and Wells with the last resolution. Given the short timeline of the Meter Replacement Project, he proposed resolutions for all three phases related to the Meter Replacement Project.

The first resolution is to authorize our intent to reimburse ourselves during the construction phase.

The second resolution is to authorize requesting short term funding from iBank (actual funding will begin when project expenses are incurred)

The third resolution to authorize requesting long term funding from iBank (actual funding will begin when the project is complete)

Senator Singer asked Mr. Sondak what the rate of interest from the iBank is. Mr. Sondak said 25-50% of the money we borrow is interest free. Mr. J. Flancbaum added that also part of the total is principal forgiveness. Basically about \$2,000,000 of the \$13,500,000 is grant money.

- **Resolution No. 23-73** Authorizing the intent of the Authority to reimburse expenditures for project costs from the proceeds of debt obligations of the Authority including in connection with its participation in the NJ Infrastructure Banks Water Financing Program

Motion made by Mrs. Fish and seconded by Mayor Coles. All Board members are required to vote. On **roll call**, all members voted **"Yes."** **Motion carried.**

- **Resolution No. 23-74** Authorizing the issuance and sale of project notes relating to the Water Bank Construction Financing Program of the NJ Infrastructure Bank

Motion made by Mrs. Fish and seconded by Mayor Coles. All Board members are required to vote. On **roll call**, all members voted “**Yes.**” **Motion carried.**

- **Resolution No. 23-75** Authorizing the Issuance of not to exceed \$5,575,000 revenue bonds of the Authority through the NJ Infrastructure Bank Financing Program

Motion made by Mrs. Fish and seconded by Mayor Coles. All Board members are required to vote. On **roll call**, all members voted “**Yes.**” **Motion carried.**

3. **Resolution authorizing the extension of the 2023-2024 water/sewer budget**

Our budget for 2023-2024 is nearing completion. However, we will need a formal resolution approving a 120-day extension of the deadline to submit the budget to the State of NJ. We expect to present this Board with the 2023-2024 Budget at the November 8th, 2023, meeting.

- **Resolution No. 23-76** Authorizing the extension of the 2023-2024 Water/Sewer Budget

Motion was made by Mrs. Fish and seconded by Mayor Coles. All Board members are required to vote. On **roll call**, all members voted “**Yes.**” **Motion carried.**

4. **3rd Quarter Financial Results**

Overall, we are on budget with nothing extraordinary to report.

Revenue is 810k (8.3%) ahead of budget attributable to Connection Fees. Excluding Connection Fees, Revenue is 272k (2.9%) better than Budget.

Expenses are 671k (8.4%) better than budget, mostly due to Open Headcount positions Salary (278k) & Timing of Healthcare Costs (357k) and timing of Water Purchases (312k), somewhat offset by Meter Purchase Costs (275k).

5. **Motion to Approve Operating Voucher**

The Operating Voucher in your Board Packets is \$1,516,194.99.

There were no unexpected expenditures to note, but included on the list are ARP funded Construction costs of \$711,953.75.

He recommended that the board approve the Operating Voucher at \$1,516,194.99, with noted abstentions.

Motion made by Mrs. Fish and seconded by Mayor Coles. On **roll call**, all seated members voted “**Yes.**” **Motion carried.**

Senator Singer discussed that we have not metered the irrigation in the Villages and up until now we have billed them as estimated usage. The DEP has required us to meter the irrigation so as to know the actual usage. That project is costing us a million and a half dollars. He requested that Mr. Sondak monitor the bills coming in next year as there may be a significant differential. Right now, they pay us in one installment, but we may need to give them a 12-month billing to catch up. We will keep the board posted. We are aware of this, but we just don't know what it's going to be.

Mr. Sondak added that he and the billing department have been working with the engineers to develop an operational plan. As those water meters become active, we know how to read them. We know how to do the math and determine the difference between the house usage and the irrigation so we will be able to monitor it. Once we have the data, we will present it.

Mr. J. Flancbaum told the board that this project is being paid for with Grant money from the Township.

VII. Engineer's Report

Given by Mr. Adam Ponsi, P.E. and Mr. Colin Farrell, Director of Engineering

1. **East Spruce Street School Trailer** (*Owner/Developer: Talmud Torah of Lakewood, Inc – Mayer Kalmanowitz / GC: Regency Development – Abe Auerbach*)

At this time the Authority may authorize the Executive Director to endorse applications for the East Spruce Street School Trailer project. OCUA approval is required due to the proposed development generating over 2,000 gpd of sanitary sewer flow.

- **Resolution No. 23-77** Authorizing Executive Director to Endorse Applications for East Spruce Street School Trailer

Motion was made by Mrs. Fish and seconded by Mayor Coles. On **roll call**, Mr. Theibault abstained. All other seated members voted **“Yes”**. **Adopted.**

August 2023 a Developer's Agreement was drafted. The following are the site-specific terms for the Developer's Agreement for the project:

- The Authority and Developer agree connection fees will be charged based on the equivalent usage report submitted by the Developer.
- The Developer agrees to enter into a monitoring agreement where the usage for the building will be monitored for a period of 5 years.
- If the usage of the building exceeds the amount as noted in the monitoring agreement the Developer agrees to pay the overage in connection fees at the Authority's connection fee rate at the conclusion of the monitoring period. The Authority will not reimburse the Developer if they use less than what was estimated.
- Connection Fees must be paid prior to installation of the meter.

- The Developer agrees to pay \$56,818.00 as a fair share contribution towards improvements to the Authority's existing sanitary sewer system in order to increase the system's capacity for the benefit of the development.

At this time the Authority may accept the terms of the Developer's Agreement as indicated in Schedule 'B'.

- **Resolution No. 23-78 Authorizing the Execution of a Developers Agreement for East Spruce Street School Trailer**

Motion was made by Mrs. Fish and seconded by Mayor Coles. On **roll call**, Mr. Theibault abstained. All other seated members voted **"Yes"**. **Adopted.**

2. **1875 Swarthmore Building Addition** (*Owner/Developer: 1875 Swarthmore, LLC – Kevin Frisch*)

August 2023 a Developer's Agreement was drafted. The following are the site-specific terms for the Developer's Agreement for the project:

- The Developer agrees to pay \$1,325.00 as a fair share contribution towards improvements to the Authority's existing sanitary sewer system in order to increase the system's capacity for the benefit of the development.

At this time the Authority may accept the terms of the Developer's Agreement as indicated in Schedule 'B'.

- **Resolution No. 23-79** Authorizing the Execution of a Developers Agreement for 1875 Swarthmore Building Addition

Motion was made by Mrs. Fish and seconded by Mr. S. Flancbaum. On **roll call**, all seated members voted **"Yes"**. **Adopted.**

3. **Abandonment of Wells 4, 15 & Ball Field Test Wells 1 & 2**

Mr. Farrell reported on August 3, 2023, the Authority received change order request #1 from William Stothoff Company for the cutting and capping of an additional well at the Well #4 location in the amount of \$1,125.00.

At this time the Authority may approve change order #1 for William Stothoff Company for the cutting and capping of an additional well in the amount of \$1,125.00.

- **Resolution No. 23-80** Awarding Change Order #1 for Abandonment of Wells 4, 15 & Ball Field Test Wells 1 & 2

Motion was made by Mrs. Fish and seconded by Mayor Coles. On **roll call**, all seated members voted **"Yes"**. **Adopted.**

4. Sanitary Sewer Extension to Old Pine Acres

July 31, 2023, the Authority received change order request #1 for P&A Construction, Inc through CME Associates for the installation of drop bowls in two manholes in the amount of \$2,317.66.

At this time the Authority may approve change order #1 for P&A Construction, Inc. for the installation of drop bowls in two manholes in the amount of \$2,317.66.

- **Resolution No. 23-81** Awarding Change Order #1 for Sanitary Sewer Extension to Old Pine Acres

Motion was made by Mrs. Fish and seconded by Mayor Coles. On **roll call**, all seated members voted “Yes.” **Motion carried.**

5. OLV & LVE Irrigation Metering

August 30, 2023, Van Cleef Engineering submitted change order request #1 for additional construction administration and inspection services in the cost not to exceed amount of \$29,500.00.

August 21, 2023, the Authority received change order request #2 from CRJ Contracting through Van Cleef Engineering for extra work performed in order to not disrupt water service to businesses on Route 70 in the amount of \$22,101.90.

At this time the Authority may approve change order #1 for Van Cleef Engineering for additional construction administration and inspection services in the cost not to exceed amount of \$29,500.00.

At this time the Authority may approve change order #2 for CRJ Contracting for extra work performed in order to not disrupt service to businesses on Route 70 in the amount of #22,101.90.

Senator Singer asked for an explanation of how we have a \$50,000 change order that we didn't know about?

Mr. J. Flancbaum explained that in the design portion of the project, the consultants thought the contractors would be able to do the work without disruption to the businesses. They thought the development behind would be finished at this point. Since it wasn't done, the businesses would be disrupted for 5-6 days. There are several business including food establishments that would be impacted. The change order for keeping the businesses in service was \$22,000 and the \$29,000 was for the engineering firm for administration and observation across the whole project not just this aspect of it.

- **Resolution No. 23-82** Awarding Change Order #1 for OLV & LVE Irrigation Metering

Motion was made by Mrs. Fish and seconded by Mayor Coles. On **roll call**, all seated members voted “Yes.” **Motion carried.**

- **Resolution No. 23-83** Awarding Change Order #2 for OLV & LVE Irrigation Metering

Motion was made by Mayor Coles and seconded by Mrs. Fish. On **roll call**, all seated members voted “**Yes.**” **Motion carried.**

6. Shorrock Street Backup Well

August 18, 2023, ARH Associates issued change order request #2 for additional professional services for permitting, construction administration, amending design documents and phasing the bids in the cost not to exceed amount of \$22,782.00.

At this time the Authority may award change order #2 for ARH Associates for additional professional services for permitting, construction administration, amending design documents and phasing the bids in the cost not to exceed amount of \$22,782.00.

- **Resolution No. 23-84** Awarding Change Order #2 for Shorrock Street Backup Well

Motion was made by Mrs. Fish and seconded by Mrs. Miller. On **roll call**, all seated members voted “**Yes.**” **Motion carried.**

7. PFAS Treatment for PFOA & PFOS MCLs

At this time the Authority may authorize the issuance of the notice to bidders for PFAS Treatment for PFOA & PFOS MCLs project.

Motion was made by Mrs. Fish and seconded by Mayor Coles. On **roll call**, all seated members voted “**Yes.**” **Motion carried.**

8. RFQs for Engineering Services for Calendar Year 2024

Updated documents will be sent to perspective engineering firms that were approved last year. Documents will be posted on the Authority website and in newspapers in accordance with the requirements of the Pay to Play regulations so the documents received will be considered as fair and open.

Motion was made by Mayor Coles and seconded by Mrs. Fish. On **roll call**, all seated members voted “**Yes.**” **Motion carried.**

VIII. Attorney's Report given by Mr. Adam Pfeffer, Esq.

Business as usual.

IX. Executive Director's Report

Given by Mr. J. Flancbaum, Executive Director

1. **Resolution to renew membership in the NJ Utility Authorities Joint Insurance Fund**

Our current membership with the NJUAJIF expires December 31, 2023-it's a 3-year term. We have a resolution to renew for another 3 years.

- **Resolution No. 23-85** Renewing Membership in the NJ Utilities Joint Insurance Fund

Motion was made by Mayor Coles and seconded by Mrs. Fish. On **roll call**, all seated members voted "Yes." **Motion carried.**

2. **Resolution Authorizing the purchase of a 2024 Chevrolet Silverado 1500**

We conducted a proposal opening on August 31st.
And received a proposal from Pine Belt Chevrolet in Lakewood for \$42,177.50

- **Resolution No. 23-86** Authorizing the Purchase of a 2024 Chevrolet Silverado 1500

Motion was made by Mrs. Fish and seconded by Mayor Coles. On **roll call**, all seated members voted "Yes." **Motion carried.**

Senator Singer requested that Mr. Bauer work with Mr. Sondak to monitor the healthcare over the year to determine our savings.

X. **Technical Operations Report**

Given by Mr. Harry Robbins, Operations Manager

Operations Dept:

1. The Authority has successfully passed all the JIF inspections for 2023. There were a couple of non-issue items that were abated.
2. We have been able to accomplish a substantial amount of fire hydrant painting this season.

Technical Operations Dept:

3. All SCADA and Communications systems are up and running well.
4. In preparation for our new Well #22 construction at the Shorrock St. well field, we are building the SCADA RTU in house that will be deployed at said Well. This will realize a savings to the Authority of approximately \$10,000+

IT Dept:

5. Verizon is discontinuing their Network Fleet GPS and moving over to Verizon Connect Reveal. This will require all our vehicles GPS units to be replaced. This will be performed at no charge. Once approved we can upgrade to Verizon Reveal.
6. IT is continuing to work through bugs having to do with the new phone integration.

GIS/Cyber-Security Dept:

GIS:

7. Updating parcel layer to reflect current tax maps.
8. Applied new 3-year license to servers for GIS software.

Cyber-Security:

9. The Authority staff continue to do well with phishing e-mail tests as we once again had zero clicks in the latest round of testing.
10. Working with NJCICC in grant opportunities as part of the Federal Government State and Local Government Pass Through Grant.

Mr. J. Flancbaum explained that these are called forever chemicals. There are 5 or 6 PFOS which is a general term for perfluorinated compounds. We have been testing for them for several years. There are some very low traces of these compounds in our water. Nowhere near the MCL. The EPA is going to lower the maximum contaminated levels to almost zero meaning every trace amount will need to be erased from the system. We were aware this was coming. The construction of the GAC Buildings is us being proactive. GAC is an acronym for Granular Activated Carbon. All traces of these PFOS will be removed.

XI. Commissioners' Report

XII. MEETING OPEN TO THE PUBLIC

XIII. MEETING CLOSED TO THE PUBLIC

XIV. ADJOURNMENT

Motion to adjourn made by Mr. Theibault and seconded by Mrs. Fish
The meeting was adjourned at 10:35 A.M.

Respectfully submitted,

Robyn Gray,
Secretary, LTMUA