

# LAKWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

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## THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

### Regular Meeting Minutes

July 2, 2013

- I. Senator Singer opened the meeting at 10:02 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 11, 2013 and The Tri Town News on February 13, 2013.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**  
On the roll call the following Commissioners were present: Mr. S. Flancbaum, Mr. Coles, Mr. Waxman, Mrs. Fish and Senator Singer. Mr. S. Flancbaum was seated as an alternate. The following professional and key personnel were present: Mr. Norman Smith, Esq., Mr. Gerwin Bauer, Auditor, Mr. Justin Flancbaum, Executive Director, Mr. Paul Morrill, Engineer, Mrs. Nancy Lapa, Secretary and Mr. Robert Farina, Instrumentation Department Supervisor.
- V. **Minutes**  
A motion to approve the minutes of the Restoration of Service Fees Hearing held on June 4, 2013, was made by Mr. Waxman and seconded by Mr. Coles. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**  
  
A motion to approve the minutes of the Regular Meeting held on June 4, 2013, was made by Mr. Waxman and seconded by Mr. Coles. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**
- VI. **Accountant's Report**  
Mr. Bauer gave out to all the commissioners the Authority's balance sheet for period ending May 2013. All the accounts are reconciled. The net revenue over expenses is approximately what was budgeted for. The Authority is on target. Mr. Bauer said that he will try to come in earlier every month to work with the new personnel to help with

training. This will make for a quicker learning process. Senator Singer said that when Mr. Bauer is happy with the training of the new personnel, he should look into the Chief Financial Officer position. It will benefit the Authority. When Mr. Bauer is comfortable to start to look, then a search should start. The personnel committee will then look into it.

## VII. Engineer's Report

~~There is one addition to the report. There is a handout from Remington Vernick, a proposal dated January 29, 2013. Originally it was thought that the security system and fire alarm would be taken care of through Underground Utilities so that it could be financed through NJEIT. It is becoming more and more difficult. It was decided that it was best to bid it. It will be a \$50,000 item. It is felt that we might run into some trouble after expending effort to get it through Underground Utilities. Mr. Waxman asked what this is. Mr. Morrill said that this system will send any security break-ins to our central station. Mr. Waxman wanted to know why it is so expensive. Mr. Morrill said this is for the New Hampshire Avenue Complex which includes the vehicle storage building, the communication shed, the Operations Building and the Plant. There is a lot of wiring and conduits that has to be done. Mr. Waxman asked if wireless would come out cheaper. Mr. Morrill said that all the conduits were installed as part of the plant. The individual items such as the fire alarm, devices, glass break devices, door contacts and all wiring and conduits associated with it has to be done. When it was looked at it was over \$37,000 so it had to go to bid. Senator Singer asked how come it was not part of the original plan. Mr. Morrill said that typically what is done is the card swipe security is part of the contract. Then we have our own security personnel come in and install at a later date. When the project was discussed with Hatch Mott MacDonald this is what they were told. It was at the direction of the Authority. It was thought that it would be cheaper to have our own person to do the work so there would not be the expense of union labor. It turned out that it was over the bidding threshold. Senator Singer questioned which companies have put in a bid. Mr. Flancbaum responded that Heim Electronics put in a bid and one or two others. Mr. Morrill said that a price was gotten from EMI to do it as a change order to the contract. The price was over \$100,000. Mrs. Lapa read **Resolution # 13-72 Authorizing Change Order No. 1 Fire Alarm and Security System Upgrades**. Motion was made by Mr. Coles, seconded by Mr. Waxman. On a **roll call**, all members present voted, "**Yes**". **Adopted**. **Not adopted**. **Included in Error**. Nancy Lapa, Secretary; Justin Flancbaum, Executive Director.~~

### 1. New Hampshire Avenue Treatment Plant

- Resolution Awarding Change Order #12

This is for a credit of approximately \$5,000. Mrs. Lapa read **Resolution # 13-73 Authorizing Change Order No. 12 Expansion And Upgrades To New Hampshire Avenue Water Treatment Plant**. Motion was made by Mrs. Fish, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

### 2. Brick Township Municipal Utilities Authority Interconnections

- Resolution Awarding Professional Services Contract

This contract is with GTS Consultants for the redesign of the plan and the inspection services for a total of \$14,750. Mrs. Lapa read **Resolution # 13-74 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1 Et. Seq.** Motion was made by Mr. Coles, seconded by Mr. Waxman. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

### 3. Woodlake Sanitary Sewer Improvements

- Resolution Awarding Professional Services Contract Phase 2

This is a contract for Owen, Little and Associates in the amount of \$46,625 of which \$25,100 is for inspection and as-builts drawings. Mr. Flancbaum said that this is the engineer for Phase 2. The Authority is redoing the sewer lines on its own. Mrs. Lapa read **Resolution # 13-75 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1 Et. Seq.** Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

#### 4. Lanes Mill Road 15 Lot Development

- Resolution Granting Technical Approval for Offsite Water

This is based on the Authority's letter dated June 19, 2013 in the packet. Mrs. Lapa read **Resolution # 13-76 Offsite Water Main Grant of Technical Approval Lanes Mill Road 15 Lot Subdivision.** Motion was made by Mr. Coles, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

#### 5. New Hampshire Avenue & Healthcare Way Apartments (EZ Storage)

- Resolution Granting Conceptual Approval for Water and Sanitary Sewer
- Resolution Granting Technical Approval for Water and Sanitary Sewer

Granting the Conceptual and Technical Approval are both based on the letter dated June 18, 2013 in the packet. Mrs. Lapa read **Resolution # 13-77 On Site and Offsite Water and Sanitary Sewer Extension Grant of Conceptual Approval New Hampshire Avenue and Healthcare Way Apartments.** Motion was made by Mr. Waxman, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, "**Aye**". **Adopted.** Mrs. Lapa read **Resolution # 13-78 On Site and Offsite Water and Sanitary Sewer Extension Grant of Technical Approval New Hampshire Avenue and Healthcare Way Apartments.** Motion was made by Mr. S. Flancbaum, seconded by Mr. Coles. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

#### 6. New Hampshire Avenue Mikvah

- Resolution Granting Conceptual Approval for Sanitary Sewer
- Resolution Granting Technical Approval for Sanitary Sewer

Granting Conceptual Approval is based on the Authority's letter dated June 27, 2013. This was handed out before the meeting. Granting Technical Approval is based on the Authority's letter dated June 18, 2013 which is in the packet. Mr. Flancbaum said that this is the biggest mikvah in the world. It is located at the corner of New Hampshire and Chestnut Street, next to the storage facility. Mrs. Lapa read **Resolution # 13-79 On Site and Offsite Water and Sanitary Sewer Extension Grant of Conceptual Approval New Hampshire Avenue Mikvah.** Motion was made by Mr. Waxman, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, "**Aye**". **Adopted.** Mrs. Lapa read **Resolution # 13-80 On Site and Offsite Water and Sanitary Sewer Extension Grant of Technical Approval New Hampshire Avenue Mikvah.** Motion was made by Mr. Waxman, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

#### VIII. Attorney's Report

Mr. Smith said he met with the developer of the 15 lot development. A developer's agreement is being worked on. After it is finalized, it will envision the developer doing work that was in the Capital Budget that the Authority had planned on doing. The developer will be able to do it a lot cheaper than the Authority can do. Senator Singer said

to remember to cross the "t's" and dot the "i's". Senator Singer asked who their attorney is. Mr. Smith said their attorney is Adam Pfeffer.

Mr. Smith said that he is putting together documentation on New Jersey Business Systems in order to make a claim against them. Mr. Flancbaum and Mr. Morrill have been working to get the underlying documents together for him. Senator Singer asked if they are a solid company or will they go bankrupt on us. Mr. Smith said he does not know but he will take a shot at it. Senator asked how much are we talking about. Mr. Flancbaum said \$285,000 was paid to them. By the time we are done remediating and fixing everything that was messed up, it will probably exceed that. The Authority received a proposal to do a site survey to analyze and line of site between the different microwave radio sites. Also to put together a detailed report of whether we can use what we already have and move it around or buy new equipment. That proposal alone is for \$80,000. It will have to be put out to bid. New Jersey Business Systems knows that they messed up. They had no business taking on this project. We have found subsequently that they really have never done work like this. They have done similar types of radios in Trenton but it was for a building from here to another building right across the street. Senator Singer asked if they have a bond. Mr. Flancbaum said that they were hired under State Contract. Mr. Smith said that New Jersey Business Systems have done this type of work but not in the geography that the Authority has and needs. This makes it a totally different type of system. Mr. Flancbaum said that we were guaranteed to have 99.99 percent uptime which is what we told that you can have with a microwave system. We do not have anything close to that. The Authority is at the point where the system is down for long periods of time. The system is monitored on a daily balance and it is constantly up and down every day. The concern is that even though it is only down for one or two minutes today, we do not know what will happen in a month. It may go down for an hour or a day and we would not know about it. This system is for the SCADA System. The system was built to primarily transmit SCADA Data from the remote sites and with the idea that we will add security cameras. Mr. Waxman said that if security is down for five minutes it is not good. Mr. Flancbaum said that at this time the security is not being transmitted via the microwave radio, only SCADA from the remote sites to the main site on New Hampshire Avenue. At this time, it is constantly up and down and the Authority cannot operate like this. Senator Singer asked if this system has hard wiring. Mr. Flancbaum said that optimally where you can install fiber optic lines it is done and that is what the Authority has done. With the Cedar Bridge Raw Water Main, fiber optic lines were installed it was easy and close enough. But with remote sites that are miles away, fiber optic lines are not an option, so the microwave system is the solution. Mr. Waxman questioned if we can run the system through Cablevision or Verizon lines. Mr. Flancbaum said that there are other solutions besides for microwave. There is wireless and cellular. The reason that the microwave radio system was built was only to transmit SCADA. The difference between microwave and other options is like a one lane highway to a five lane highway. More can be put on it.

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

### **1. Hatch Mott MacDonald Inspection Budget Increase Request- New Hampshire Avenue Water Treatment Plant Expansion**

After several meetings with representatives from Hatch Mott MacDonald, it was determined that their request for budget increase for contractor coordination services is reasonable. They provided the services which was largely responsible for timely completion of the project. The Authority also received all the backup documentation for all the time spent and found everything to be in order. Mr. Flancbaum is recommending that the Authority approve the request for \$67,200.

This is the final portion of the large budget increase request which was being approved in pieces. Mrs. Lapa read **Resolution # 13-81 Resolution To Approve Inspection Budget Increase Request For Contractor Coordination Services**. Motion was made by Mr. Coles, seconded by Mr. S. Flancbaum. On a roll call, all members present voted, "Yes". **Adopted.**

**2. Hatch Mott MacDonald – Budget to Complete New Hampshire Avenue Water Treatment Plant Expansion**

The Authority requested a proposal for a budget to complete the project. We have review and process, contract close out documentation, coordination with Underground Utilities, field work and contract administration. The Authority received a proposal from Hatch Mott MacDonald which is broken down into two categories. \$10,000 for review and process and contract close out documentation. \$25,000 is for a projection of an eighteen hour work week. Six hours per week for project manager and twelve hours per week for project inspector till the end of August. This is for coordination and review of Underground Utilities field work and contract administration. Mr. Flancbaum said that he feels Hatch Mott MacDonald possess the resources, knowledge and expertise to close out the project efficiently. The project is 98.5 percent complete according the Hatch Mott MacDonald. Besides for the contract closeout documentation which we have not received yet, the contract has to be closed out with the State. That will take resources and knowledge. Mr. Flancbaum said that the \$10,000 figure that was given is a lump sum. They have added the caveat that if Underground Utilities submits documentation to them that requires various rounds of reviews, it may exceed that figure. Senator Singer asked what does that mean. They know what a close out is. Senator Singer's expressed concern that now we give them \$10,000 and then they will say later that it is \$30,000. Mr. Flancbaum said they know and we know what is needed for the close out, the issue will be if the general contractor will provide in one shot everything that we are looking for. There have been times when they submitted shop drawings which have required five times back and forth. Mr. Flancbaum said he wrote a letter to Underground Utilities requesting that the Authority receive all the documentations that was asked for and a schedule of when everything will be completed. The Authority has two percent retainage on them which is around \$175,000 and there is also two or three payment estimates left worth \$100,000, plus or minus. Senator Singer said that if they mess up and the Authority has to pay Hatch Mott MacDonald more because of them, it will be taken off their end. Mr. Flancbaum said that he spoke with Mr. Smith about that yesterday and Mr. Smith said that we can do that. Mr. Smith said he spoke with Mr. Flancbaum yesterday. Mr. Smith asked what the retainage was. If Underground Utilities does something measurably poor in their response the Authority is prepared to take the position with them that the Authority will keep the retainage. Senator Singer said that he does not want the Authority to be an open check book to Hatch Mott MacDonald. Mr. Smith said it is not a bid amount, it is their estimate. The close out is highly regulated with NJEIT requirements and you need special expertise and Hatch Mott MacDonald knows what they are doing and they do it well. Mr. Smith spent a lot of time with Mr. Flancbaum and Mr. Morrill reviewing everything and in his opinion Hatch Mott MacDonald brought this project in on time and successfully. Senator Singer said that compared to the project years ago, this one was a breeze. We have all been happy with the quality of work; everything was done right and works right. There were not any drainage problems in the winter or building leaking. Hatch Mott MacDonald's supervision was fine. Senator Singer

said he thinks the contractor is happy with the Authority. Mr. Flancbaum said he thinks the contractor is very happy. With Hatch Mott MacDonald and the contractor, a great job was done. It was a big project, \$12 Million. It went off without a hitch thanks to everybody, Hatch Mott MacDonald, Underground Utilities and the Authority's staff. Mr. Smith said what always impresses him about Hatch Mott MacDonald is when you call them they give you an answer right away and it is always correct. Mr. Smith said he dealt with a lot of engineers and professionals over the years. Mrs. Lapa read **Resolution # 13-82 Resolution To Approve Budget To Complete Contract No. 17**. Motion was made by Mr. Coles, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

Mr. Theibault arrived at 10:25 A.M.

**3. Emergency Egress Plan- Shorrock Street Complex & New Hampshire Avenue Complex**

Mr. Flancbaum asked Hatch Mott MacDonald to prepare an emergency egress plan for the new buildings in the New Hampshire Avenue Complex, the Shorrock Street Plant and the Old Shorrock Street Plant. The Administration Building's egress plan was done with the architect that designed it. The total amount for all the buildings is \$3,800. It is a good price. Mrs. Lapa read **Resolution # 13-83 Resolution To Approve Proposal For Professional Engineering Services For Preparation Of Emergency Egress Plans**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

**4. Employee Evaluations Update**

Mr. Flancbaum and all the department heads met with the labor counsel to review the evaluation procedures. It was decided to schedule the evaluations annually in August. New Hires will have their evaluation at six months after hire date in addition to the annual evaluation. The procedures were reviewed. Senator Singer said there is a ninety day window till a new employee is made permanent. Shouldn't an evaluation be done at that point in time? Mr. Flancbaum said the labor attorney said that the Authority can do that. Senator Singer said that before a new employee becomes permanent an evaluation should be done. Mr. Waxman said it should be done before the ninety day period is over. It should be done at sixty or seventy five days. Senator Singer said to speak to the labor attorney. He presumes that the Authority has a ninety day period where there would not be a problem to let a new employee go if it is not working out. It should be double checked with the labor attorney. The Authority should have such a policy because it is the policy in the municipality. Senator Singer is not sure if the review is done before the ninety days are up or after.

**5. Update to Authority Rules & Regulations (Sexual Harassment Policy)**

The Authority's Harassment Policy was updated. It was old and the labor counsel submitted a draft. The old policy will be deleted from the Rules and Regulations and be replaced with the updated policy. Mr. Flancbaum will distribute the updated policy with a cover letter to all employees. Mrs. Lapa read **Resolution # 13-84 Resolution Of The Lakewood Township Municipal Utilities Authority Adopting An Anti-Harassment Policy**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

**6. Fire Drill Update**

The Authority had a fire drill. Mr. Flancbaum contacted the Police Chief and Fire Department. The Fire Department did not feel it was necessary for them to be there. Mr. Flancbaum did call them afterwards. We evacuated as per their instructions, fifty feet away from the building. It took less than sixty seconds to evacuate. Everyone was cooperative. Mr. Flancbaum said that he is satisfied with the results and so is the Fire Department.

**7. Woodlake Pump Station Elimination**

The Conceptual Design for the elimination of the Woodlake Pump Station was finalized. On the screen there was an image overlay on a satellite map displaying the design. Mr. Flancbaum explained the design. Mr. Flancbaum said that they looked over several different options and felt that this one was the best option. It was the most efficient and economical option. Senator Singer asked if there will be any more connections over there. Mr. Flancbaum said that technically they could connect and run a line to Route 88. Sewer does not seem to be so important to the car dealerships. They have septic tanks. Mr. Theibault said that he has property on Lanes Mills Road and there always seems to be an issue with the C-1 Cabinfield Branch. Will this impact it at all? It is not 300 hundred within there? Mr. Flancbaum said no. He thinks the buffer zones there are fifty feet, so it is a typical fifty foot wetlands buffer, could be seventy five buffer. The Authority hired Trident Environmental Services, Toms River, through Van Cleef Associates. Trident is an environmental and engineering firm. They went into the field, located the wetlands and delineated the wetlands. They are waiting for the Authority to approve the design and then they will add it on to the design plans. Mr. Theibault said that the way that Mr. Flancbaum showed the Commissioners this plan is a perfect way to present new jobs to the Commissioners.

**8. Closed Session- Sick Day Buy Backs – Will be discussed later.**

**X. Instrumentation/IT Department Report**

Mr. Farina reported that all installations have now been completed. This includes lightning protection equipment at the New Hampshire Avenue complex which includes every structure and all circuit panels in every building.

We are in the process of devising a plan to install and begin implementation of changing out the PLC equipment at the Shorrock Street Water Treatment Plant and the various remote well sites. Work will begin in earnest in the fall and regardless of completion or not, will stop in the spring as to not adversely affect the water treatment process.

As discussed in past reports, as we make improvements to the Authority's infrastructure we are simultaneously building up a stock of critical replacement parts and equipment as well. In doing so, this effort has already appreciably paid off in many instances where down time and loss of equipment usage was greatly reduced or eliminated altogether.

In addition, the Technical Operations Department has also invested in the purchasing of a substantial amount of electrical and process test equipment over the last few years making the Authority increasingly independent of outside contractors to perform routine troubleshooting tasks. In many cases this has eliminated the need altogether for outside intervention. This equipment will and in some instances, enable us to predict future failure of equipment.

Having said that about test equipment, I would also like to mention that the department recognizes that some of the equipment carries a large cost to the Authority and a great deal of consideration is utilized to discriminate the exact necessity and type of equipment that is best suitable to our size and needs. When those criteria cannot be implemented then the department resorts to building its own test equipment in house, when feasible. You will see by this example I will show you. There is a need to measure current at some of the remote sites. The only test equipment available for this was a piece that gave more information than needed and was in excess of \$5,000 to \$10,000. Mr. Farina created a piece of test equipment that will just measure the absolute minimum that is needed, that being the current of the three phase power. The cost of this project, including Mr. Farina's time and equipment, came under \$600 to \$700.

Mr. Farina said that the website is being finalized and showed the updated version. Mr. Flancbaum said that at last month's board meeting the Commissioners approved the design for the website. When Mr. Flancbaum contacted the web designer to go ahead with it, he said that it is outdated. It was redesigned and it really looks good. It is clean and sleek.

**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 Mrs. Fish to approve the Operating Vouchers in the amount of \$656,649.15. On a **Voice Vote**, all members present voted, "**Aye**". **Motion passed.**

**XV. CLOSED SESSION**

A **motion** was made by Mr. Coles and seconded by Mrs. Fish to go into closed session at 10:43 A.M to discuss personnel. On a **voice vote**, all members present voted, "**Aye**".

**XVI. OPEN SESSION**

A **motion** was made by Mr. Coles and seconded by Mrs. Fish to go back into open session at 11:03 A.M. On a **voice vote**, all members present voted, "**Aye**". Senator Singer said that the following was discussed: 1. Buying back sick time for employees and making a new policy for it. 2. Potential hires for field personnel. 3. The monthly car allowance for the Executive Director will be increased from \$250 to \$400. A **motion** was made by Mr. Waxman and seconded by Mr. Coles to approve the increased monthly car allowance of \$400 for the Executive Director. On a **Voice Vote**, all members present voted, "**Aye**". **Motion passed.**

**XVII. ADJOURNMENT**

A **motion** was made by Mr. Coles, seconded by Mr. Waxman to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 11:05 A.M.

Respectfully submitted,

Nancy Lapa,



Secretary, LTMUA