



**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**

**September 10, 2019**

- 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 19, 2019 and The Tri Town News on February 20, 2019.
- III. **Salute to the Flag**  
Senator Singer asked for a moment of silence for those that lost their lives on 9-11 in the fight for freedom.
- IV. **Roll Call of Commissioners**  
On roll call the following Commissioners were present: Mr. S. Flancbaum, Mr. Theibault, Mr. Waxman, Mrs. Fish and Senator Singer. Mr. S. Flancbaum was seated as an alternate. 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 Mrs. Nechama Lapa, Secretary.
- V. **Minutes**  
A **motion** to approve the minutes of the Regular Meeting held on August 6, 2019, was made by Mr. Waxman and seconded by Mrs. Fish. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**
- VI. **Chief Financial Officer Report**
  1. **Financial Results Review For Period Ending August 31, 2019**  
The Authority is ten months through the budget cycle and the Authority is being run favorable to the budget. The Authorities net position for the period ending August 31, 2019 is approximately \$2,457,000.00. The Authority's operating revenue is approximately \$9,225,849.00. This is approximately \$450,000.00 ahead of the budget. This continues to being run favorable and is being driven by the water and sewer service

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390 NEW HAMPSHIRE AVENUE, LAKEWOOD, NEW JERSEY 08701

PHONE (732) 363-4422 | FAX: (732) 905-0712 | WWW.LAKEWOODMUA.COM

charges and efficiencies in the automated billing system. There are also non-recurring connection fees at approximately \$205,000.00. The Authorities expenses are approximately \$6.5 Million and they are slightly over budget. This is being driven mainly by engineering costs to satisfy ongoing water allocation requests from the DEP.

Mr. Lichtenstein arrived at 10:04 A.M.

**2. Motion to Approve Operating Vouchers**

Mr. Rappoccio provided the commissioners with a list of abstentions. There is one additional item to the vouchers in the amount of \$5,752.10 for the Authority attorney. The amended amount for the Operating Expense Vouchers is \$819,659.57. A **motion** to approve operating vouchers in the amount of \$819,659.57 was made by Mr. Waxman, seconded by Mr. S. Flancbaum. On **roll call**, all members present voted, "Yes" with **noted abstentions. Motion Carried.**

**3. Resolution to Accept 2018 Audit**

Mr. Bauer will report on this. Copies of the audit were given out to attendees. Mr. Bauer said he met with the audit company around three weeks ago and went over the audit in detail. There was a positive net position change this year of \$1,408,000.00. Another major item recorded was a prior period adjustment. The GASB 75, post-employment benefits for retirees had an almost \$5,000,000.00 adjustment to the Authority's unrestricted fund balance. It put the Authority in a small deficit in the unrestricted fund balance, which is not a concern because it is primarily deferred inflows and outflows. It is not a current cash flow item. The Authority is in good shape. All the commissioners will sign a Group Affidavit Form, which is acknowledging on page four and page five the report on government auditing standards. Mr. Bauer read 2 lines of the report under "Internal Control of Financial Reporting". Mrs. Lapa read **Resolution No. 19-80 Acceptance of 2018 Audit.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted "**Yes**". **Adopted.** Mr. Bauer said that Mr. Rappoccio was a fantastic help with the whole audit process.

**4. Resolution Salary Increase for Executive Director for 2019**

Senator Singer said this was approved and included in the budget at the beginning of the year, this is not additional. Mrs. Lapa read **Resolution No. 19-81 Authorizing A Salary Increase For 2019.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **roll call**, Mr. Theibault, Mr. Waxman, Mrs. Fish and Senator Singer voted "**Yes**". Mr. S. Flancbaum abstained. **Adopted.**

**VII. Engineer's Report**

**Mr. Ponsi's Report**

**1. Regulatory Compliance Assistance 2019**

- Resolution Awarding Change Order No. 1

On September 6, 2019 the Authority received a change order request from Mott MacDonald for additional work that they are doing above the normal allotment for the year due to the compliance of the Safe Water Drinking Act and Lead and Copper Sampling Plans for the Authority. The request is for a \$9,000.00 budget increase. Mrs. Lapa read **Resolution No. 19-82 Authorizing Change Order No. 1 For Regulatory Compliance Assistance 2019.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted "**Yes**". **Adopted.**

**2. Golders Green Road Subdivision (Congregation Maalos Hatorah – Rabbi Aaron Perlow)**

- Resolution Granting Conceptual & Technical Approval

On September 3, 2019 GTS Consultants issued a conceptual review and technical review letter. At this time the Authority may grant conceptual approval and technical approval for the Golders Green Road Subdivision subject to the GTS letter dated September 3, 2019. Mrs. Lapa read **Resolution No. 19-83 Grant Of Conceptual And Technical Approval Golders Green Road Subdivision**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On roll call, all members present voted “Yes”. **Adopted.**

**3. Boulevard of the Americas Office Building No. 5 (Tower 2 Equity, LLC & Tower 3 Equity, LLC – Mark Chopp)**

- Resolution Approving Terms of Developer’s Agreement Lot 2.10
- Resolution Approving Terms of Developer’s Agreement Lot 2.11

The terms for each of the agreements are the same. The following are the terms of the agreements. The Developer and Authority will enter into a Connection Fee Monitoring Agreement. The Developer may pay connection fees prior to installation of the meters for the buildings. Mrs. Lapa read **Resolution No. 19-84 Authorizing The Execution Of The Developer’s Agreement Boulevard of the Americas Office Building No. 5 Lot 2.10**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On roll call, all members present voted “Yes”. **Adopted.** Mrs. Lapa read **Resolution No. 19-85 Authorizing The Execution Of The Developer’s Agreement Boulevard of the Americas Office Building No. 5 Lot 2.11**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On roll call, all members present voted “Yes”. **Adopted.**

**Mr. Farrell’s Report**

**4. Conversion of New Hampshire Treatment Plant Chlorine System**

- Resolution Awarding Professional Services Contract

On August 9, 2019 the Authority received a revised proposed from Remington Vernick due to a mathematical error on last month’s agenda. The corrected amount of the proposal is \$51,050.00. At this time the Authority may award a professional services contract to Remington Vernick in the amount of \$51,050.00. This resolution will supersede Resolution No. 19-77. Mrs. Lapa read **Resolution No. 19-86 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1 Et. Seq.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On roll call, all members present voted “Yes”. **Adopted.**

**5. Admin Building Renovation and Expansion (Addition)**

- Resolution Awarding Change Order #4 (Bismark)
- Resolution Awarding Change Order #5 (Bismark)

On August 30, 2019 the Authority received change order request no. 4 from Bismark Construction for installation and wiring for a new transformer in the amount of \$13,669.60. On September 4, 2019 the Authority received change order request no. 5 from Bismark Construction for electrical work for an IT server Room in the building addition in the amount of \$12,217.09. Senator Singer explained that the first change order is the electrical had to be upgraded from 220 to 440. We were under the impression there was 440 in the addition but it was 220. It was not in the bid but it has to be done anyways. The second change order is because it was decided at a later date to make the IT Room upstairs. At this time the Authority may award change order no. 4 to Bismark Construction in the amount of \$13,669.60. Mrs. Lapa read **Resolution No. 19-87 Authorizing Change Order No. 4 Administration Building Renovation and**

**Expansion.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted “**Yes**”. **Adopted.** Mrs. Lapa read **Resolution No. 19-88 Authorizing Change Order No. 4 Administration Building Renovation and Expansion.** Motion was made by Mr. Waxman, seconded by Mr. S. Flancbaum. On **roll call**, all members present voted “**Yes**”. **Adopted.**

**6. County Line Manor Pump Station Upgrades Gravity Sewer Main**

- Resolution Awarding Change Order #1 (Van Cleef)
- Resolution Awarding Contract

On August 15, 2019 the Authority received change order request no. 1 from Van Cleef for additional work during the bidding phase for the unexpected clarifications and addendums necessary due to contractor inquiries in the amount of \$1,530.00. At this time the Authority may award change order no. 1 to Van Cleef. Mrs. Lapa read **Resolution No. 19-89 Authorizing Change Order No. 1 Elimination Of The County Line Pump Station.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted “**Yes**”. **Adopted.**

On August 22, 2019 the Authority received five bids for the Gravity Sewer Main project to eliminate the County Line Manor pump station. Bids ranged from \$1.287 Million to \$1.891 Million. The lowest bidder was Pillari Brothers at \$1.287 Million. Van Cleef Associates reviewed the contract bid submission for Pillari Brothers and recommends award of the contract to Pillari Brothers conditioned on the review of the Authority Attorney and obtaining NJEIT funding and compliance with all PACO regulations/requirements. Mr. Waxman asked if the Authority did business with them. Mr. J. Flancbaum said yes, they did the Woodlake Pump Station Elimination. They did a very good job. Mrs. Lapa read **Resolution No. 19-90 Awarding Contract For The Gravity Sewer Main Project To Eliminate The County Line Manor Pump Station.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted “**Yes**”. **Adopted.**

**7. Pine Street Vassar Avenue Gravity Sewer Line**

- Resolution Awarding Contract

On August 30, 2019 the Authority received 7 bids for the Vassar to Spruce Gravity Sewer Main project. Bids ranged from \$1.772 Million to \$2.756 Million. The lowest bidder was P&A Construction at \$1.772 Million. On September 5, 2019 CME Associates reviewed the contract bid and recommends award of the contract to P&A Construction conditioned on the review of the Authority Attorney and obtaining NJEIT funding and compliance with all PACO regulations/requirements. Mr. Waxman asked if the Authority knows them. Mr. J. Flancbaum said the Authority did not do business with them. Mr. Waxman asked if they can be checked out. Mr. Pfeffer said he is going through the paperwork and he can also check into them. Mr. Farrell said that CME Associates did review the references and is familiar with them. Mr. Pfeffer said he can do a litigation search to see if they are involved in other litigation. Mr. Lichtenstein said when bid specs are made for Township projects; start times and end times are put in the specs. It does get sometimes more expensive, so it is a decision the Authority has to make. But it is much easier than trying to close down a very busy street when people are trying to school etc. The Township used to struggle with the contractors but now the engineers are putting it into the bid specs. Mr. Lichtenstein said it is too late for this project but it is a good tip for future projects. If the contractor really wants the job, they are willing to adjust the work schedule a little bit. Senator Singer thanked Mr. Lichtenstein for the good point. Mrs. Lapa read **Resolution No. 19-91 Awarding Contract For The Gravity Sewer Main Project From Vassar Avenue to Spruce Street.** Motion was

made by Mr. Waxman, seconded by Mr. S Flancbaum. On **roll call**, all members present voted “**Yes**”. **Adopted**.

**VIII. Attorney's Report**

Mr. Pfeffer said that he is proceeding with calling in the bond for Tiferes Chaim. Mr. Pfeffer was in contact with their adjuster. He is working on the paperwork. Hopefully next month there will be an update on the litigation with Mallen.

**IX. Executive Director's Report**

**1. Resolution authorizing a one year maintenance agreement with Let's Think Wireless, LLC for Microwave Radios and Software**

Now that our microwave radio system is basically completed it is important that we have a service contract in place. We are proposing to go with what they call Tier 2 support which includes unlimited remote support during 8:00 A.M. and 6:00 P.M. on regular business days, four onsite support events and a once a year preventative maintenance visit for the antennas. Total annual cost is \$32,223.75. They built the system. Mrs. Lapa read **Resolution No. 19-92 Awarding Contract Without Public Bidding For The Support And Maintenance Of Proprietary Microwave Radio Equipment To Support The Authorities Scada System**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted “**Yes**”. **Adopted**.

Mr. J. Flancbaum wanted to add that he thinks the next twelve months will be the busiest twelve months with capital improvements since he has been here. The security system will be upgraded over the next six to twelve months, there will be two large sewer projects and there will be the chlorine conversion in the plant on New Hampshire Avenue. Although there have been bigger jobs and these are smaller jobs but they are very significant jobs ongoing at the same time. He is looking forward to it.

**X. Technical Operations Report**

**Field Operations Report:**

**1. Operations SCADA Drill**

Last Wednesday the Water Treatment Plant Operators were drilled on a catastrophic Complete SCADA Failure Response. This involved purposely shutting down the complete SCADA system without warning to the Operators and having all hands available to operate the two water treatment plants, the entire well field and lift station sites manually. This is the first time we have held this drill and moving forward will conduct two per year. This will insure the Authority and its customers continued water treatment and distribution as well as sewage collection in the event of a major disaster that will cause the Authority to lose its communication and or SCADA automated control. These drills are currently recommended and will eventually become mandated by the NJDEP emergency response plan. Mr. Waxman asked if a drill should be held on weekends or nights when the Authority is short staffed. Mr. Farina said in that case everyone would be called in. Mr. Farina said we probably would need some office personnel as well in that type of situation

**Technical Operations:**

**2. SCADA system status**

All SCADA computer systems are functioning well with routine modifications and minor system repairs taking place during the month.

**3. Administration Server Monitoring**

We will be building a small RTU in house in order to take critical Administration server room temperature data over to the SCADA system for round the clock monitoring and alarming.

**IT Department:**

**4. Security Training Update**

The 2019 Cyber - Security Awareness training is 100% complete. All employees have received their Certificate of Achievement. We will hold a refresher course every quarter to insure our staff does not become complacent with regards to security of our network infrastructure.

**5. AEA Cyber Security Event**

Mr. McBride will be moderating the upcoming cyber security event sponsored by the AEA that will be centered on Protecting Your Network. It will be held in the Brick Township MUA.

**6. Additional Server Room Status**

We are preparing data network infrastructure in the new Administration space to integrate with the main server room in the existing Administration space.

**7. Facility Fire Drill**

A facility fire alarm drill was conducted for all Administration Building occupants last Wednesday. It went well.

**GIS Department:**

**8. Data Provisions to LFD**

Our GIS Department provided updated Fire Hydrant data to the Fire Department.

**9. Fire Hydrant Condition/Status Tracking**

Our GIS Department created a web application in order to track hydrants in need of repair or inspection based on the 2019 flushing results. Mr. Lichtenstein asked who was given the fire hydrant data. Mr. J. Flancbaum said usually Yehuda Beer requests the information every four to six months. It is also sent to the fire chief. Mr. Lichtenstein said there was a fire recently, not in MUA service area and it took a few minutes to locate a fire hydrant while the building was burning. This is so critical. Mr. Lichtenstein said the Township dispatchers should have the information. The firemen are driving a big truck and if it is around 2:00 A.M. it is hard to see. The dispatcher should be able to tell them that at the location that they are, where the closest hydrant is.

**XI. Commissioners' Report**

**XII. MEETING OPEN TO THE PUBLIC**

**XIII. MEETING CLOSED TO THE PUBLIC**

Senator Singer wanted to thank Mr. J. Flancbaum, Mr. Pfeffer and Mr. Ponsi for solving the problem with the Rabbi and his project.

**XIV. ADJOURNMENT**

**A motion** was made by Mr. Waxman, seconded by Mr. Theibault to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 10:36 A.M.

Respectfully submitted,

Nechama Lapa,  
Secretary, LTMUA