



**Board of Commissioners**

*Senator Robert Singer, Chairman*

*Mayor Raymond Coles, Vice Chairman*

*Craig Theibault, Treasurer*

*Anne Fish, Assistant Secretary*

*P. G. Waxman, Commissioner*

*Samuel Flanbaum, Alt. Commissioner*

*Meir Lichtenstein, Alt. Commissioner*

**THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY**

**Regular Meeting Minutes**

**July 2, 2019**

- I. Senator Singer opened the meeting at 10:01 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 said let us remember July 4<sup>th</sup> the birthday of our great country.
- IV. **Roll Call of Commissioners**  
On roll call the following Commissioners were present: Mr. Lichtenstein, Mr. S. Flanbaum, and Senator Singer. Mr. S. Flanbaum and Mr. Lichtenstein were seated as alternates. The following professionals and key personnel were present: Mr. Adam Pfeffer, Esq., Mr. Gerwin Bauer, Auditor, Mr. Justin Flanbaum, 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 June 4, 2019, was made by Mr. Lichtenstein and seconded by Mr. S. Flanbaum. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**
- VI. **Chief Financial Officer Report**
  1. **Financial Results Review For Period Ending June 30, 2019**  
The Authorities net position for the period ending June 30, 2019 is approximately \$1.6 Million. This is approximately \$254,000.00 ahead of the budget. The Authority's operating revenue is approximately \$6.5 Million. This is approximately \$224,000.00 ahead of the budget. The Authority has reached the budget for Connection Fees as of June 30<sup>th</sup>, 2019. The Authority has \$60,000.00 in non-recurring connection fees flowing through the revenue. The Authority's expenses through June 30, 2019 are

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approximately \$4.9 Million. The expenses continue to run a little favorable to our expense budget. Senator Singer asked how the Authority is doing with utilities. Mr. Rappoccio said it is one year since we have the solar field and we are seeing savings. Mr. J. Flanbaum said the Authority saved about \$25,000.00 over the year.

Mr. Waxman arrived at 10:03 A.M.

Mr. Rappoccio asked Mr. Bauer to give the commissioners an update of the Actuarial Study.

**2. Actuarial Study**

Mr. Bauer said he spoke to Aon and the actuarial study has been completed. It went to the State around June 15<sup>th</sup>, 2019. It is under review by the State, and then it will be released. The State gave a forty five day extension approval after the actuarial study is released for the Audit. The bond companies may make inquiries. We will send them the information from the State.

**3. 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 \$835.00 for the conflict and labor attorney. The amended amount for the Operating Expense Vouchers is \$701,872.89. A **motion** to approve operating vouchers in the amount of \$701,872.89 was made by Mr. Waxman, seconded by Mr. S. Flanbaum. On **roll call**, all members present voted, "Yes" with **noted abstentions. Motion Carried.**

Mr. Theibault and Mrs. Fish arrived at 10:05 A.M. Mr. Lichtenstein is no longer seated as an alternate. Senator Singer wished Mr. Theibault congratulations on the wedding.

**VII. Engineer's Report**

**Mr. Ponsi's Report**

**1. Ridge Avenue School No. 2 (Yeshiva Gedolah Bais Yisroel – Samuel Miller)**

- Resolution Releasing Maintenance Guarantees

On June 28, 2019 the Authority issued a letter detailing the conditions required for the maintenance guarantees to be released. At this time the Authority may release the maintenance guarantees held for the Ridge Avenue School No. 2 development conditioned on the letter. Mrs. Lapa read **Resolution No. 19-61 Releasing Maintenance Guarantees Ridge Avenue School No. 2.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, Mr. S. Flanbaum, Mr. Waxman, Mrs. Fish and Senator Singer voted "**Yes**". Mr. Theibault abstained. **Adopted.**

**2. Locust Grove (Somerset Development – David Schreiber & Ralph Zucker)**

- Resolution Releasing Maintenance Guarantees

On June 28, 2019 the Authority issued a letter detailing the conditions required for the maintenance guarantees to be released. At this time the Authority may release the maintenance guarantees conditioned on the letter dated June 28, 2019. Mrs. Lapa read **Resolution No. 19-62 Releasing Maintenance Guarantees Locust Grove.** Motion was made by Mr. S. Flanbaum, seconded by Mrs. Fish. On **roll call**, Mr. S. Flanbaum, Mr. Waxman, Mrs. Fish and Senator Singer voted "**Yes**". Mr. Theibault abstained. **Adopted.**

### Mr. Farrell's Report

#### 3. Cellular Antennas Ridge Avenue & New Hampshire Avenue Tanks

- Resolution Awarding Contract (New Hampshire Avenue Tank)
- Resolution Awarding Contract (Ridge Avenue Tank)

On June 19, 2019 the Authority received 1 bid for the leasing space for cellular equipment on the New Hampshire Avenue Tank. The bid details are as follows: New Cingular Wireless, PCS (AT&T), \$35,000.00 per annum with a three percent annual rate increase. On June 19, 2019 the Authority received 1 bid for the leasing space for cellular equipment on the Ridge Avenue Tank. The bid details are as follows: New Cingular Wireless, PCS (AT&T), \$35,000.00 per annum with a three percent annual rate increase. On June 27, 2019 the Authority Director of Engineering issued a review of the bid received for the leasing of space for cellular equipment at the New Hampshire Avenue Tank. On June 27, 2019 the Authority Director of Engineering issued a review of the bid received for the leasing of space for cellular equipment at the Ridge Avenue Tank. At this time the Authority may award New Cingular Wireless PCS, LLC (AT&T) the contract to lease space for cellular telecommunications equipment at the New Hampshire in the amount of \$35,000.00 per annum with a three percent annual rate increase. At this time the Authority may award New Cingular Wireless PCS, LLC (AT&T) the contract to lease space for cellular telecommunications equipment at the Ridge Avenue water storage tank in the amount of \$35,000.00 per annum with a three percent annual rate increase. Senator Singer asked if this is separate from the ones that were sold. Mr. J. Flancbaum said yes, these are new. Mr. Farrell said that the awarding of the contracts are conditioned on the reviews by the Authority Attorney. Mr. Pfeffer said he reviewed them and they are acceptable. Mrs. Lapa read **Resolution No. 19-63 Awarding Contract For The Installation Of Telecommunications Equipment On The New Hampshire Avenue Water Tank.** Motion was made by Mr. Waxman, seconded by Mr. Theibault. On **roll call**, all members present voted "Yes". **Adopted.** Mrs. Lapa read **Resolution No. 19-64 Awarding Contract For The Installation Of Telecommunications Equipment On The Ridge Avenue Water Tank.** Motion was made by Mr. S. Flancbaum, seconded by Mr. Theibault. On **roll call**, all members present voted "Yes". **Adopted.**

#### VIII. Attorney's Report

Mr. Pfeffer introduced Jonathan Fleisher, a new attorney associate in his law firm. Mr. Pfeffer said he has one item that needs to be discussed in closed session

#### IX. Executive Director's Report

##### 1. Resolution Awarding Professional Services Contract for Conflict Counsel

A Request For Proposal opening for conflict counsel for the remainder of this year was held on June 12, 2019. Three proposals were received. The proposals were from Eric Bernstein & Associates, Grace Marmero and Associates and Cleary, Giacobe, Alfieri and Jacobs. After reviewing the proposals against the criteria set forth in our Request For Proposal, we recommend awarding the contract to Cleary, Giacobe, Alfieri and Jacobs for the rest of the year. Mrs. Lapa read **Resolution No. 19-65 Awarding Professional Services Contract for Conflict Counsel.** Motion was made by Mr. S. Flancbaum, seconded by Mr. Waxman. On a **voice vote**, all members present voted "Aye". **Adopted.**

2. **Resolution Awarding Contract for a 9 Foot Utility Body with Crane to be Installed on an Existing LTMUA 2010 Chevy HD 3500 Chassis**

This was discussed at last month's board meeting. A bid opening was conducted on June 4, 2019. Two bids were received. One was from A and K Equipment Co. from Rahway for \$38,100.00. The second one was from H.A. Dehart and Son from Thorofare for \$47,158.00. After reviewing the two bids it is recommended that we reject the low bid because it does not meet our specifications. This is outlined in a letter from the Director of Engineering to our attorney. Our attorney sent a letter to A and K Equipment on June 17, 2019 advising them as such. Therefore, we recommend awarding the bid to H.A. Dehart and Son for \$47,158.00. Mr. Waxman asked if that is considered a high price. Mr. J. Flancbaum said that they were expecting the price to be around \$45,000.00. So this price seems right. Mr. Waxman asked if this will be challenged. Mr. Pfeffer said that is the reason why Mr. Farrell prepared a specific outline of what the differences were. The two units received in this bid were drastically different in capability. Mrs. Lapa read **Resolution No. 19-66 Awarding Contract For A 9 Foot Utility Body With Crane To Be Installed On An Existing LTMUA 2010 Chevy HD 3500 Chassis.** Motion was made by Mr. S. Flancbaum, seconded by Mr. Waxman. Senator Singer questioned why we would not install this on a new truck. Mr. J. Flancbaum said that it is not something that is used all the time. Mr. Robbins said that this is a very low mileage truck and in fair shape. This will save the Authority a lot of money. On **roll call**, all members present voted "Yes". **Adopted.**

3. **Resolution Authorizing the Purchase of Electricity Supply Services for Public Use on an Online Auction Website**

This is for New Hampshire Avenue Complex when not on solar. The Authority was contacted by Energy Market Exchange last week advising that the JCP&L price, to compare for the June 2019 to June 2020 tariff cycle, has increased to 9.4 cents per kilowatt hour. We are now paying about 9.1 cents per kilowatt hour. We would like to run a reverse auction to see if we can get a better fixed rate and generate some savings for the next year. There is no commitment to lock in. Mrs. Lapa read **Resolution No. 19-67 Authorizing the Purchase of Electricity Supply Services for Public Use On An Online Auction Website.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted "Aye". **Adopted.**

4. **Consumer Confidence Report**

The Consumer Confidence Report went out in the second week of June, well in advance of the July 1<sup>st</sup> deadline. A postcard went out to all of our customers. The NJDEP also received a copy of the report with the postcard. The CCR is on the Authority website for anyone to view. Anyone that requested a copy was sent one.

Mr. Lichtenstein wanted to comment about the reverse online auction. He has found that you need to keep an eye on the monthly bills as they come in to make sure the rates do not vary. He found in his personal business that sometimes these companies give a cheaper rate and then they raise it without letting you know and then JCP&L ends up being cheaper. Senator Singer asked Mr. Rappoccio to check on it in three months' time and come back and let the commissioners know how much was saved or not saved. Senator Singer thanked Mr. Lichtenstein for this good suggestion.

Senator Singer suggested that next summer the Authority should consider asking Rutgers Engineering if they may have an IT person for a summer internship. Some of the Authorities are doing it. They have found in some cases that the intern might be a potential candidate. It might be good to give a local young person an opportunity. They

would be paid based on their field, computers or engineering. Bob Fisher does it at the Bayshore Regional Sewerage Authority. Senator Singer said to find out their contact. They had eight to ten people apply for two intern positions. They receive compensation \$14 per hour. This could not be done now because of room but next year with the new construction, we should have space.

**X. Technical Operations Report**

**Field Operations Report:**

**1. Shorrock Street Water Treatment Plant Lime System Update**

Both lime batch processing tanks at the Shorrock Street Water Treatment Plant have been fully rehabilitated along with their shafts as you can see with the before and after pictures on the conference room screen. The Authority saved well over \$25,000.00 by not replacing the tanks. A specialized coating was also used. The Authority should be able to get a minimum of fifteen extra years of use from these vessels. Also, because we stripped and coated the mixing shaft and blades, we will not have to purchase new ones that would have cost an additional \$5,000.00. We were quoted over \$15,000.00 to raise and rehabilitate the dust collectors in order to prevent them from ingesting the wet lime slurry and clogging the filters. It was decided to do the work in house along with installing new lightweight aluminum hatches for easy lime loading and fail safe switching. This will prevent the mixer and dust collector from activating while being worked on. This will cost the Authority approximately \$5,000.00 or possibly less including labor realizing another savings of over \$10,000.00 to the Authority. This rehabilitation along with replacing the pumps will virtually make the lime operation brand new.

**2. New Vehicle Update**

A new Chevy pickup truck was received for the field personnel. It is being equipped for deployment.

**3. New Hire Update**

Two new hires are in process. One started work yesterday, Monday, July 1st and the other still awaiting background checks.

**Technical Operations:**

**4. Control Systems Status**

All SCADA and control systems as well as communications are up and running well.

**5. Personnel Training Update**

Our Operations Supervisors and IT personnel have been trained in SCADA interfacing software.

**6. Microwave Service Contract Update**

We have chosen a microwave antenna yearly maintenance plan from the contractor that did the installation, Let's Think Wireless.

**IT Department:**

**7. New Software Status Updates**

The check processing software project, Payargo/Jaguar, is completed and is up and running.

**8. Personnel Training Schedule**

The Iconics Genesis 64 onsite training for SCADA interfacing took place on June 27<sup>th</sup>. The training gave the employees the ability to do some of the work instead of relying on contractors coming in for minor changes and modifications.

**9. Certification**

Mr. McBride received a Certificate of Completion for attending Cyber Risk Assessment and Threat Management for Public Entities.

Senator Singer thinks a discussion should be had before next year's budget is made as to how we want to address cyber security. Mr. Farina agreed. Senator Singer said that it is getting to the point where it is becoming full time.

**GIS Department:**

**10. Road Work Project Interventions**

Possible conflict areas were identified with the upcoming road work projects at Leisure Village Association and Vermont and Locust Avenue areas.

**11. Contractor Support**

Reference material was provided to several contractors for proposed projects on Route 88 and Riverside Court and some other projects.

**12. Mapping Provisions**

The Executive Director was provided with mapping having to do with Woodlake Greens Easement and the Emerald Hills water main loop. Field personnel were given assistance in obtaining further information with respect to mark outs.

**XI. Commissioners' Report**

**XII. MEETING OPEN TO THE PUBLIC**

Rabbi Aaron Perlow from Congregation Maalos HaTorah wished to speak about his project, Chestnut Gardens. He asked to allow parking for residential units on the Authority's easement. Rabbi Perlow presented various maps to the Commissioners. The Commissioners stated that his latest request will be reviewed by the Authority staff and professionals.

**XIII. MEETING CLOSED TO THE PUBLIC**

**XIV. CLOSED SESSION**

Senator Singer asked for a closed session for litigation. The meeting went into closed session at 10:44 A.M. Mrs. Lapa read **Resolution No. 19-68 To Go Into Closed Session**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote** all members present voted "**Aye**". **Adopted**.

**XV. OPEN SESSION**

Motion was made by Mr. S. Flancbaum, seconded by Mr. Theibault to go back into open session at 10:55 A.M. Senator Singer said that litigation was discussed. When it is settled, which will hopefully be at next meeting, it will be made public.

**XVI. 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 10:55 A.M.

Respectfully submitted,

Nechama Lapa,  
Secretary, LTMUA