



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

September 1, 2020

- I. Senator Singer opened the meeting at 10:00 A.M. via teleconference.
- 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 7, 2020 and The Tri Town News on February 12, 2020 again in the Asbury Park Press on August 19, 2020 and The Tri-Town News on August 26, 2020.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**
On roll call the following Commissioners were present: Committeeman Lichtenstein, Mr. S. Flanbaum, Mr. Theibault, Mrs. Fish and Senator Singer. Committeeman Lichtenstein and Mr. S. Flanbaum 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 and Mr. Robert Farina, Director of Operations.
- V. **Minutes**
A **motion** to approve the minutes of the Regular Meeting held on August 4, 2020, was made by Mrs. Fish and seconded by Mr. Theibault. On **roll call**, all members present voted "Yes". **Motion carried.**
- VI. **Chief Financial Officer Report**
 1. **Financial Results Review For Period Ending August 31, 2020**
The Authorities net position for the period ending August 31, 2020 is approximately \$3. Million. This is approximately \$600,000.00 ahead of the budget year to date. The Authority's operating revenue is approximately \$9.4 Million. This is approximately \$700,000.00 ahead of the budget. This continues to be driven by the same items as in previous months, water and sewer residential charges and non-recurring connection fees. The Authority's Operating Expenses are inline, slightly over budget. There was a higher amount of overtime due to an electrical strike issue. Mr. Farina will discuss this in his report. Otherwise, the expenses are in line with where it was expected.

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2. **Motion to Approve Operating Vouchers**

Mr. Rappoccio wanted to give an update on the P Card process. The Authority has been using the State Contracted P Card for six years.

Mr. Waxman joined the conference call at this time.

The field personnel use these credit cards to make various purchases and they are also used for bill paying. The cards are kept locked in a safe at the Authority. No one gets their credit card to make a purchase unless it is approved by their supervisor. If a field employee is in middle of working on a project and need to purchase a piece of equipment from Home Depot, a request will be made to Mr. Farina and he will give them approval for purchase. Then they can request to get their credit card from the safe for the purchase. Cash Advances cannot be made with these credit cards. These cards are set to be used by only certain vendors that are used in the area, i.e. Home Depot, Lowes and Warshauer Electric. The receipts are then brought into the office and approved by the supervisor, then by himself, Mr. Rappoccio and Ms. Gaynor manages the system. The receipt is attached to the purchase in the system. It then gets validated to be paid at the end of the month. This is the process and controls that are in place. The Authority gets a benefit from using the P Cards. The Authority gets a 3 ½% rebate every quarter from the first dollar charged. Right now the Authority is getting almost \$7,000.00 a year back from the purchases. The P Cards are used as much as possible. Senator Singer said it is used also when reservations are made for a course. Senator Singer explained that the State puts this out for bid. The banks bid on it and the winning bank wins it for the State Contract. There is no better deal than getting back 3 1/2% from the first dollar spent. For every \$100,000.00 is spent, the Authority gets back \$3,500.00. The bank that won the bid is Bank of America. The use is monitored very carefully and can only be used for purchases that were authorized. Mr. Rappoccio said a page was added after the Operating Expenses with the P Card expenses listed. It is a secure process. Home Depot will call when a card is being used for a purchase over \$100.00. Mrs. Fish thanked for the refresher of the P Card use.

Mr. Rappoccio provided the commissioners with a list of abstentions. The amount for the Operating Expense Vouchers is \$1,000,121.31. A **motion** to approve operating vouchers in the amount of \$1,000,121.31 was made by Mr. Waxman, seconded by Mrs Fish. On **roll call**, all members present voted, "**Yes**" with **noted abstentions**. **Motion Carried.**

3. **Resolution to Accept the 2019 Audit**

A meeting was held with the Finance Committee last week to review the Audit Financials. Mr. Bauer said the Audit went very well considering doing most of it online. Mr. Rappoccio was a great help. This year is almost mirroring last year. The year was ended before the amortization of the capital of \$571,000.00. We did have the contributed capital that we are amortizing. That brought the change of the Authority's net position up to \$1,534,000.00. That is about \$100,000.00 better than the previous year. There is a Group Affidavit that all Commissioners need to sign. The most important part of it is that you are reviewing the report on page four and five of the Audit Report. It states the Independent Audit Report and Internal Controls over financial reporting and on compliance in other matters based on the Audit of the financial statements in accordance with government auditing standards. Mr. Bauer went over the highlights from those two reports. Mr. Bauer asked if anyone had any questions on the Audit. No one did. Senator Singer thanked Mr. Bauer and Mr. Rappoccio on a great job as usual. Mr. J. Flancbaum read **Resolution No. 20-85 Acceptance of 2019 Audit.**

Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, Mrs. Fish, Mr. Waxman, Mr. S. Flancbaum, Committeeman Lichtenstein and Senator Singer voted **“Yes”**. Mr. Theibault was not on the phone conference at the time of the vote. **Adopted.**

VII. Engineer’s Report

1. Chestnut Gardens (Congregation Maalos Hatorah, Inc – Rabbi Perlow)

- Resolution Approving Terms of Developer’s Agreement

On June 29, 2020 a meeting was held to discuss terms for the Developer’s Agreement. The following are the terms. The Developer will construct the water and sewer infrastructure shown on the plans. The Developer must provide the Authority required non-profit documents in order for the vacation of a portion of the Authority’s easements. The Developer must pay connection fees for five (5) units prior to the issuance of the first meter. At this time the Authority may accept the terms of the Developer’s Agreements. Mr. J. Flancbaum read **Resolution No. 20-86 Authorizing The Execution Of The Developer’s Agreement Chestnut Gardens**. Motion was made by Mrs. Fish, seconded by Mr. S. Flancbaum. On **roll call**, Mrs. Fish, Mr. S. Flancbaum, Committeeman Lichtenstein and Senator Singer voted **“Yes”**. Mr. Waxman and Mr. Theibault were not on the phone conference at the time of vote. **Adopted.**

2. Cedarbridge Avenue Retail Center (CBRC Holdings, LLC – Joseph Michael)

- Resolution Approving Terms of Developer’s Agreement

A meeting was held to discuss terms for the Developer’s Agreement. The following are the terms. The Developer will construct the water and sewer infrastructure shown on the plans. The Developer must pay connection fees prior to the issuance of the first meter. At this time the Authority may accept the terms of the Developer’s Agreements. Mr. J. Flancbaum read **Resolution No. 20-87 Authorizing The Execution Of The Developer’s Agreement Cedarbridge Avenue Retail Center**. Motion was made by Mrs. Fish, seconded by Mr. Waxman. On **roll call**, all members present voted **“Yes”**. **Adopted.**

3. Lanes Mill Road School (Torah Temimah of Lakewood Inc. – Benjamin Margulies & Mordechai Shayovich)

- Resolution Approving Terms of Developer’s Agreement

On August 6, 2020 a meeting was held to discuss the terms of the Developer’s Agreement. The terms for the Developer’s Agreement are as follows. The Developer will construct the water and sewer infrastructure shown on the plans. The Developer will not be required to construct the sanitary sewer main extension within Lanes Mill Road and instead will pay a fair share contribution towards the extension of the sanitary sewer in the amount of \$112,925.00. The Developer must pay connection fees and the fair share contribution prior to the issuance of the first meter. At this time the Authority may accept the terms of the Developer’s Agreements. Mr. J. Flancbaum read **Resolution No. 20-88 Authorizing The Execution Of The Developer’s Agreement Lanes Mill Road School**. Motion was made by Mrs. Fish, seconded by Mr. Waxman. On **roll call**, all members present voted **“Yes”**. **Adopted.**

4. Evergreen Boulevard Development (Vermont Equities, LLC – Jacob Lipschitz)

- Resolution Granting Technical Approval

On August 4, 2020 GTS Consultants issued technical review no. 4. At this time the Authority may grant technical approval for the Evergreen Boulevard Development. Mr. Waxman said he will not vote on this item. Mr. J. Flancbaum read **Resolution No. 20-**

89 Grant Of Technical Approval Evergreen Boulevard Development. Motion was made by Mrs. Fish, seconded by Mr. S. Flancbaum. On **roll call**, Mrs. Fish, Mr. Theibault, Mr. S. Flancbaum, Committeemen Lichtenstein and Senator Singer voted **“Yes”**. Mr. Waxman abstained. **Adopted.**

5. County Line Manor Pump Station Upgrades Gravity Sewer Main

- Resolution Awarding Change Order No. 2

This is essentially to close out the project. On August 27, 2020 the Authority received a break down for Change Order No. 2 for Pillari Brothers in the amount of \$22,429.12. This includes as built quantities review of \$8,750.76 and for a utility conflict in the amount of \$13,677.36. At this time the Authority may award Change Order No. 2 to Pillari Brothers in the amount of \$22,429.12. Senator Singer said the important thing to know is that an over \$1 Million project and had very little change orders on it. Mr. Farrell said essentially this is the only change order. The increase in the overall for the project was \$15,000.00. Mr. J. Flancbaum read **Resolution No. 20-90 Authorizing Change Order No 2 For The Gravity Sewer Main Project To Eliminate The County Line Manor Pump Station.** Motion was made by Mrs. Fish, seconded by Mr. S. Flancbaum. On **roll call**, all members present voted **“Yes”**. **Adopted.**

VIII. Attorney's Report

Mr. Pfeffer said it has been a busy month with business as usual. Nothing to report but asked if anyone had any questions for him. Senator Singer asked if he had heard anything back from Mr. Gross regarding not getting a response back from the DEP regarding the wells. Mr. Pfeffer said he has not heard anything. He asked Mr. J. Flancbaum if he had any communication with Mr. Gross. Mr. J. Flancbaum said the latest communication we had with the DEP was at the end of July. Yesterday we followed up with the section chief of the division that is reviewing the application. We received an email back indicating that she is out of the office and will respond when she gets back to the office. That is the response to our latest submission which was back in February. The DEP will give us a response to that and we will review it and decide where to go from there. Mr. S. Flancbaum said that the DEP has more or less gone dark for the last five months. It is virtually impossible to get a hold of anybody and nobody feels like getting back to you when you try to contact them. Mr. Pfeffer said he agrees with Mr. S. Flancbaum. He has attempted to contact them regarding other matters and there is no communication on their end.

**IX. Executive Director's Report
2020 Tax Sale**

1. This year's tax sale will take place on October 14, 2020. We had 611 properties subject to tax sale with outstanding balances totaling \$338,447.73. These accounts received notice of the upcoming sale. As of yesterday we were already down to 510 properties and an outstanding balance of approximately \$290,000.00 so we've already collected approximately \$47,000 over the last couple weeks. As in previous years, we expect that most balances will be paid up before the Tax Sale. By the time the Tax Sale concludes, the Authority is paid in full for outstanding balances through 2019.

2. **Budget**

Management is getting together now to prepare next year's Operating and Capital Budget. There will be meeting with the Budget Committee probably before next month's meeting and bring the full budget to the Board for review at next month's meeting.

Senator Singer asked Committeeman Lichtenstein if he can confer with the Township Manager so Mr. J. Flancbaum can get a heads up for what salary increases will be given to the Township employees. The Authority follows the Township's lead. The Budget Committee will be able to plug in the amounts. Committeeman Lichtenstein says he will.

Senator Singer asked Mr. J. Flancbaum about the properties from the Township needed for the easements. Mr. J. Flancbaum said that Morgan Engineering should be finishing their plotting of the new GAC Building onto the site. All the field work that was necessary, the plot at Public Works site and the piece that we are looking for, was completed about one and one half weeks ago. We hope to receive the plans this week and will forward it to Mr. Pfeffer. Mr. Pfeffer was in contact with the Township Attorney. Senator Singer added the Shorrock Street property. Mr. J. Flancbaum said correct, Morgan is also working on Shorrock Street and some other sites that needed surveying and metes and bounds description on.

X. **Technical Operations Report**

Field Operations Report:

1. **Lightning strike report**

Operations experienced significant multiple lightning strikes on August 12, 2020 which resulted in the damaging of several pieces of electrical/electronic and IT hardware including several microwave radios. We are still replacing hardware and making repairs. A claim has been opened with our insurance carrier. Since our radio system was affected, it required us to have operational personnel round the clock for the ensuing two days while radio repairs were being made. Although the Authority has spent over the years several tens of thousands of dollars in lightning protection, as mentioned before, there is no true guarantee to protect 100%. This past strike is what is referred to as a back door strike. It did not strike on the electrical end, it struck on the signal end which is the output to everything. There is unfortunately no practical protection for that. The lightning equipment did do its job. Had we not had what we had in place, there would have been significantly more damage.

2. **Operations personnel**

One of our level T-1 Water Treatment Plant operators gave their notice of resignation effective August 28, 2020. While we are advertising for the position, we also have two newer employees that are currently signed up for the treatment course and upon passing the course will be eligible to sit for the licensing examination. They are going to be introduced into the treatment process to help them better have a handle on their schooling and to eventually assist in the Operations day to day tasks.

Technical Operations:

3. **Communications and SCADA status**

After losing communications and some SCADA equipment to lightening damage, all systems are returned to normal with some temporary loaner equipment in place to accomplish this.

IT Department:

4. GIS hardware update

Wireless access points were completed in Operations to provide for GIS iPad security patches and updates.

5. Radio communications issues

The IT Department worked closely with our microwave radio vendor during this month's lightning strike, ensuring the system was partially back up and running the next day.

GIS Department:

6. LFD hydrant information update

Mr. McClain is working on getting the Lakewood Fire Department information on main sizes, a request made by Lakewood Fire Department after they were supplied with fire hydrant updates. Since this report has been prepared, this update has been completed.

7. Survey and easement update

Mr. McClain is also coordinating site surveys for easement or ownership boundaries.

8. GIS technologies update

Mr. McClain is exploring options on accelerating GIS Technologies to more parts of the Authority.

Senator Singer questioned if Mr. McClain will incorporate all the new metes and bounds property information. Mr. Farina said he will. Senator Singer said he thinks that there is also a property on Shorrock Street that has to be transferred. Mr. J. Flancbaum said yes there is a property on Shorrock Street and some other sites that need surveys and metes and bounds. Mr. McClain is spearheading this.

XI. Commissioners' Report

XII. MEETING OPEN TO THE PUBLIC

XIII. 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 10:30 A.M.

Respectfully submitted,

Nechama Lapa,
Secretary, LTMUA