



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

March 12, 2019

- I. Senator Singer opened the meeting at 10:04 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**
- IV. **Roll Call of Commissioners**
On roll call the following Commissioners were present: Mr. Lichtenstein, Mr. Theibault, Mayor Coles, Mr. Waxman, Mrs. Fish and Senator Singer. 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 February 13, 2019, was made by Mr. Waxman and seconded by Mrs. Fish. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**

A **motion** to approve the minutes of the Annual Reorganization Meeting held on February 13, 2019, was made by Mr. Waxman and seconded by Mrs. Fish. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**

A **motion** to approve the minutes of the Water And Sewer Connection Fee Hearing held on February 13, 2019, was made by Mr. Waxman and seconded by Mrs. Fish. On a **roll call**, Mr. Theibault, Mr. Waxman, Mrs. Fish and Senator Singer voted "**Yes**". Mayor Coles abstained. **Motion carried.**

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VI. Chief Financial Officer Report

1. Financial Results Review For Period Ending February 28, 2019

The Authorities net position for the period ending February 28, 2019 is approximately \$481,000.00. This is approximately \$48,000.00 ahead of the budget. The Authority's operating revenue is approximately \$3.2 Million. This is approximately \$27,000.00 ahead of the budget. The Authority's expenses through February 28, 2019 are approximately \$2.7 Million. This is slightly lower than budget. This is primarily driven by lower overtime than budgeted for.

2. Motion to Approve Operating Vouchers

Mr. Rappoccio provided the commissioners with a list of abstentions. There is one change from what was sent out previously. There is an additional expense of \$5,600.00 for the Authority attorney. The amended amount for the Operating Expense Vouchers is \$1,508,409.44. A **motion** to approve operating vouchers in the amended amount of \$1,508,409.44 was made by Mayor Coles, seconded by Mr. Waxman. On **roll call**, all members present voted, "Yes" with **noted abstentions**. **Motion Carried.**

3. Resolution Authorizing the reimbursement of expenditures for the Admin Bldg. Project and the Vassar Avenue Sewer Line Project

Mr. Rappoccio spoke with the bond counsel. Over a year ago, a reimbursement resolution was passed. Our bond counsel recommended passing a new reimbursement resolution since the Authority has switched financing funds for the Administration Building Project. Mrs. Lapa read **Resolution No. 19-22 Authorizing The Reimbursement Of Expenditures For The Administration Building Project And The Vassar Avenue Sewer Line Project Costs From the Proceeds Of Debt Obligations Of The Authority, Including In Connection With Its Participation in the New Jersey Infrastructure Bank Financing Program**. Motion was made by Mayor Coles, seconded by Mrs. Fish. On **roll call**, all members present voted "**Yes**". **Adopted.**

4. Resolution Authorizing the issuance and sale of project notes relating to the NJEIT and determining various matters relating thereto

This is regarding the sale of the project notes once the three projects are complete. This will authorize the bond counsel to go ahead with the issuance of bonds. Mrs. Lapa read **Resolution No. 19-23 Authorizing The Issuance And Sale Of Not To Exceed \$5,900,00 Principal Amount Of Project Notes Relating To The Construction Financing Loan Program Of The New Jersey Infrastructure Bank And Determining Various Matters Relating Thereto (NJEIT)**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted "**Yes**". **Adopted.**

I. Swearing In Of New Commissioner

Mayor Ray Coles was sworn in as a Commissioner of the Lakewood Township Municipal Utilities Authority.

VII. Engineer's Report

Mr. Ponsi's Report

1. Chestnut Gardens (Congregation Maalos Hatorah-Aaron Perlow)

- Resolution Granting Conceptual & Technical Approval (sewer only)

On January 21, 2019 Grant Engineering issued a technical review letter. Currently the sewer design has been established. The water design is still in flux. At this time the Authority may grant conceptual and technical approval for the sanitary sewer design for

the Chestnut Gardens development conditioned on the Grant Engineering letter dated January 21, 2019. They wanted to separate the approvals so that they can get their OCUA and TWA approvals started. Mrs. Lapa read **Resolution No. 19-24 Grant Of Conceptual And Technical Approval Chestnut Gardens**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted **“Yes”**. **Adopted.**

2. Pine Street & Blvd of the Americas Daycare & Office Building (2220 Pine Holdings, LLC-Saul Mizrahi)

- Resolution Granting Final Approval

On February 27, 2019 T and M Associates issued final review no. 2. At this time the Authority may grant final approval for the Pine Street and Boulevard of the Americas Daycare and Office Building conditioned on the T and M Associates letter dated February 27, 2019. Mrs. Lapa read **Resolution No. 19-25 Grant Of Final Approval Pine Street And Boulevard Of The Americas Daycare And Office Building**. Motion was made by Mayor Coles, seconded by Mrs. Fish. On a **roll call**, Mr. Theibault, Mayor Coles, Mrs. Fish and Senator Singer voted **“Yes”**. Mr. Waxman abstained. **Adopted.**

3. Blvd of the Americas & Avenue of the States Office & Daycare (Cornerstone Equities, LLC-Yaakov Merling & Abe Auerbach)

- Resolution Authorizing Executive Director to Endorse Applications

On February 22, 2019 Grant Engineering issued commercial/industrial review no. 2. At this time the Authority may authorize the Executive Director to endorse applications for the Boulevard of the Americas and Avenue of the States Office and Daycare project. OCUA and TWA approvals are required for this project. Mrs. Lapa read **Resolution No. 19-26 Authorizing Executive Director To Endorse Applications Boulevard Of The Americas And Avenue Of The States Office And Daycare**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **roll call**, Mayor Coles, Mr. Waxman, Mrs. Fish and Senator Singer voted **“Yes”**. Mr. Theibault abstained. **Adopted.**

4. Airport Road and Energy Way Flex Space (Yerek, LLC-Jack Klugman)

- Resolution Authorizing Executive Director to Endorse Applications

On February 6, 2019 GTS Consultants issued commercial/industrial review no. 1. At this time the Authority may authorize the Executive Director to endorse applications for the Airport Road and Energy Way Flex Space project. OCUA is required and possibly TWA, depending on which design the developer chooses to go with. Mrs. Lapa read **Resolution No. 19-27 Authorizing Executive Director To Endorse Applications Airport Road and Energy Way Flex Space**. Motion was made by Mr. Waxman, seconded by Mayor Coles. On **roll call**, all members present voted **“Yes”**. **Adopted.**

5. New Hampshire Avenue School & Dormitory (Tiferes Chaim-Moshe Dovid Perlstein)

- Motion Authorizing Calling in Performance Guarantees

This is an older project. The school wanted to open quickly, therefore the Authority required them to bond for future work. The Authority has contacted them on September 19, February 4, February 6, February 14, February 20 and February 22 asking them when they are going to proceed. They were told that if they do not respond, the Authority will have no choice but to call in the bond. They have not responded. At this time the Authority may authorize the Authority Attorney to proceed with calling in the performance guarantees for the project and any other legal action that may be required to complete the application. Senator Singer said in the future this should be done by the Authority attorney. Mr. Waxman said that there should be an automatic procedure. Senator Singer said once it goes that way, it should go to the attorney report. It is a

legal matter at this time. Mr. Theibault asked where this school is located. Mr. Ponsi said it is across from the mikvah, next to the fire house.

Mr. Farrell's Report

6. NJPDES Permit Renewal Well #2

- Resolution Awarding Professional Services Contract

On February 20, 2019 the Authority received a proposal from Mott MacDonald for professional services for renewal of the NJPDES Permit for Well no. 2 in the lump sum amount of \$5,000.00. This amount is the same as was charged by Mott MacDonald for the last completed NJPDES permit renewal. At this time the Authority may award a professional services contract to Mott MacDonald for professional services for the renewal of the NJPDES Permit for Well no. 2 in the lump sum amount of \$5,000.00. Mrs. Lapa read **Resolution No. 19-28 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 Mayor Coles. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

7. Admin Building Renovation & Expansion (Addition)

- Resolution Awarding Contract

On February 20, 2019 Craig Testing Laboratories, Inc. submitted a proposal detailing unit costs for performing concrete and steel testing and inspection services for the Administration Building project. At this time the Authority may award a contract to Craig Testing Laboratories, Inc. in the cost not to exceed amount of \$5,950.00 based on the unit costs listed in the proposal dated February 20, 2019 for performing concrete and steel testing and inspection services for the Administration Building project. Mrs. Lapa read **Resolution No. 19-30 Awarding A Contract to Craig Testing Laboratories, Inc.** Motion was made by Mayor Coles, seconded by Mrs. Fish. On **roll call**, all members present voted "**Yes**". **Adopted.**

8. County Repair of Ridge Avenue Culvert and Authority Water Main Relocation

- Resolution Awarding Professional Services Contract

On March 8, 2019 the Authority received a proposal from Owen, Little and Associates for surveying and engineering services for a water main lowering on Ridge Avenue for the lump sum amount of \$12,500.00. At this time the Authority may award a contract to Owen, Little and Associates for surveying and engineering in the lump sum amount of \$12,500.00. Senator Singer said the County is redoing the road and they are requiring the Authority to do this. The Authority attorney looked into this and it is the Authority's responsibility. Mr. Pfeffer said that it is Authority's responsibility as per statute. Mrs. Lapa read **Resolution No. 19-30 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1 Et. Seq.** Motion was made by Mayor Coles, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

9. East County Line Road Sewer Rehabilitation Project

This was tabled. This will be discussed at next month's meeting.

VIII. Attorney's Report

New Hampshire Avenue School & Dormitory (Tiferes Chaim-Moshe Dovid Perlstein)

Mr. Pfeffer said about two weeks ago a copy of the developer's agreement and bond was forwarded to him. Everything was reviewed and they are in default. Mr. Pfeffer said he will send a notice of default to the school, school's attorney and Bond Company

putting them on notice and giving them a thirty day period notice. Senator Singer asked what they have to do. Mr. Ponsi said they have to install a sewer lateral from the building to the sewer line that was constructed on New Hampshire Avenue. They also have to pay connection fees for the new building. Senator Singer asked what they are doing with their sewer now. Mr. Ponsi said they were permitted by the State to use the existing lateral that was there as part of the little office building on a temporary basis, just to get them open. Mr. Pfeffer said the bond amount is around \$165,000.00. This is sufficient for the cost estimate. He believes that once that once the notice goes out he will receive a phone call from the bond company and then he will get phone calls from the school that they did not know anything about this. A motion is needed and then it will go out today. A **motion** was made by Mayor Coles, seconded by Mrs. Fish authorizing calling in Performance Guarantees. On a voice vote, all members present voted, "Aye". **Motion carried.**

Senator Singer asked if there is an update with the litigation. Mr. Pfeffer said it is moving along. He is figuring out what his number is for alleged damages. The Authority had the third party accountant do the analysis. We are still in the discovery period but at least we are getting information that we can take back to them with. Senator Singer said can't we go back to the judge and say that they are delaying this. Mr. Pfeffer said they are in the discovery period. Senator Singer wanted to know which judge is on this case. Mr. Pfeffer said he does not know off the top of his head, but he will find out. This length of discovery period is not out of the ordinary, litigation takes time. Senator Singer said this case is bothering him very much. It is costing the Authority a lot of money, time and effort. Mr. Pfeffer said that it is very good that the Authority retained the third party accountant. He is doing an analysis and is going through what they provided to us and he will let us know what his interpretation of what the damage is. If everything that was provided to us is correct, the number is much smaller than what they are alleging. We are working on it and it is getting closer. Senator Singer said when this is done and settled, he would like to know what the actual cost of this case is.

IX. Executive Director's Report

1. Resolution Authorizing the purchase of a Chevrolet Silverado

A Request For Proposal opening was held this morning. The request was for a new 2018, 2019 or 2020 pickup truck. Pine Belt Chevrolet submitted a proposal in the amount of \$30,495.00 for a 2019 Chevrolet Silverado. Mr. J. Flancbaum recommends purchasing this vehicle. After this purchase, there are no more plans for a pickup truck purchase this year. One of the older trucks will be put on govdeal.com to see what the Authority can get for it. Mrs. Lapa read **Resolution No. 19-31 Authorizing The Purchase Of A 2019 Chevrolet Silverado**. On a **voice vote**, all members present voted, "Aye". **Adopted.**

2. Resolution awarding contract to Banks Industrial Group for the relining of lime tanks nos. 1 and 2 at the Shorrock Street Water Treatment Plant

A Request For Proposal opening was held on March 5, 2019. One proposal was received from Banks Industrial Group for \$32,744.00. That was the expected price. Mr. J. Flancbaum recommends awarding the contract to them. Mrs. Lapa read **Resolution No. 19-32 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1 Et. Seq.** Motion was made by Mayor Coles, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "Aye". **Adopted.**

Added On

3. Ridge Avenue Sewer Line CAFRA Appeal

Yesterday, the draft stipulation settlement was received from the DAG Office. They have removed most of the onerous conditions that were on the CAFRA permit for undeveloped property in terms of connecting to the Authority's sewer line. It is being reviewed by Mr. Pfeffer and Mr. Mike Gross, who handled the appeal for the Authority. This is good news.

4. Modified Application For DEP – Allocation Increase

The application should be by the DEP by the end of this week.

Senator Singer asked Mr. J. Flancbaum to update the Commissioners on the powerline issue. Mr. J. Flancbaum said the excavation for the building addition has started. The 460 volt electrical line that comes into the Administration Building has to be moved because it is going to be underneath the addition. The line was probably installed at the time that the original building was built in the early 1990's. The as built drawings did not have the exact location of the line. We are very fortunate to have an excellent excavator. We do not know the exact cost of labor and material. It will probably be around \$15,000.00 to \$20,000.00. Mr. Waxman asked if it would be possible to install a new line at a different location and leave this line where it is. Mr. J. Flancbaum said no, ~~it~~ the cost would be greater. Mr. Waxman said it is probably because he is excavating anyways. Mr. J. Flancbaum said correct. The final costs will be given at next month's meeting.

Senator Singer asked if there is any news on the application for the two new wells. Mr. J. Flancbaum said that is part of what is going to be submitted to the DEP at the end of this week.

X. Technical Operations Report

Mr. Farina wanted to address Mr. Waxman's question regarding the electrical line that has to be moved. The pit was dug deep and wide enough to expose the existing location of the line and for the new location. It is better to take it out. The extra cost is to remove it. Mr. Waxman thanked Mr. Farina.

Field Operations Report:

1. Lime Room re-hab. status at the Shorrock WTP

The rehabilitation project is under way for the Lime Room process area at the Shorrock Street Water Treatment Plant.

2. Meter pit cover fabrications

Our mechanic is currently fabricating new and lightweight hinged tops for the outdoor customer meter pits that serve the Original Leisure Village.

Technical Operations:

3. SCADA technician new hire

The new SCADA I&C Technician began work as of Monday March 4th and he seems to be acclimating quite well.

4. Microwave antenna project status

The construction portion of the remaining microwave antenna project is complete and work is underway with tuning, testing and acceptance. If all goes well, we hope to have the project completed for good at the end of the month.

IT Department:

5. Radio network switch status

All the switches for the Microwave Radios have been configured and are awaiting final test.

6. Cyber Security presentation

Mr. McBride, the Authority IT Coordinator, gave a presentation on Cyber Security and Shadow IT for the NJWEA this past Wednesday March 6th. Based on reports it was received very well and important information was exchanged.

GIS Department:

7. GIS Operations Dept. personnel training status

Training is going well with regard to the Operations staff being able to access GIS information from mobile and desktop devices.

8. Document storage work flow progress

Mr. McClain has reviewed and verified proper work flow using document storage procedures with Engineering and Operations Departments.

9. GIS seminar attendance

Mr. McClain attended a half day seminar in order to stay abreast of current and new GIS software and/or equipment from the vendor Esri.

10. On line GIS class participation

Mr. McClain also participated in an on-line class on how to perform Hydraulic Modeling within the GIS system.

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 10:36 A.M.

Respectfully submitted,

Nechama Lapa,
Secretary, LTMUA