



Board of Commissioners

Senator Robert Singer, Chairman

Raymond Coles, Vice Chairman

Anne Fish, Treasurer

Samuel Flancbaum, Assistant Secretary

Michael Sernotti, Commissioner

Craig Theibault, Alt. Commissioner

P. G. Waxman, Commissioner

THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Regular Meeting Minutes

January 5, 2016

- 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 6, 2015 and The Tri Town News on February 11, 2015.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**
On the roll call the following Commissioners were present: Mr. S. Flancbaum, Mr. Sernotti, Mr. Coles, Mr. Waxman, and Senator Singer. The following professionals and key personnel were present: Mr. Norman Smith, Esq., Mr. Gerwin Bauer, Jr, Auditor, Mr. Justin Flancbaum, Executive Director, Mr. Daniel Rappoccio, CFO, Mr. Paul Morrill, P. E., Mr. Robert Farina, Instrumentation Department Supervisor and Mrs. Nechama Lapa, Secretary.
- V. **Minutes**
A **motion** to approve the minutes of the Regular Meeting held on December 1, 2015, was made by Mr. Coles and seconded by Mr. Waxman. On a **voice vote** all members present voted "**Aye**". **Motion carried.**
- VI. **Chief Financial Officer Report**
 1. **Financial Results Review for December 31, 2015**
The Authorities net position for the period ending December 31, 2015 is approx. \$206,000.00. This is ahead of the Year to Date Net Budget. The Authority has Operating Revenues of approximately \$1.5 Million through December 31, 2015. This is \$258,000.00 higher than the Net Budget through December 31, 2015. This is driven by connection fees. The non-recurring connection fees to date are \$268,000.00. This represents twenty six new accounts to our system through December 31st. Eighteen

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new accounts occurred in December. Seventeen were residential and one was industrial. Excluding the non-recurring connection fees the Authority net position would be essentially flat to the budget.

2. Roll Call to Approve Operating Vouchers

There are three addendum items to the Operating Expenses totaling \$27,952.00. The new Operating Expense total we are requesting approval for is \$779,825.35. Senator Singer questioned what the three items were. Mr. Rappoccio said one item was the legal representation in the amount of approximately \$21,000.00, the second item was emergency construction with Bil-Jim and the third item was a fence at the Airport Road Water Storage Tank. Mr. Waxman said that he and Mr. Sernotti will not vote on the invoice for Mohel, Elliot, Bauer and Gass. Mr. Waxman's company may be selling their building and Mr. Bauer may not be aware of this. A **motion** to approve operating vouchers in the amended amount of \$779,825.35 was made by Mr. Waxman, seconded by Mr. Coles. On a **roll call**, Mr. Coles, Mrs. Fish and Senator Singer voted "**Yes**". Mr. Sernotti and Mr. Waxman voted "**Yes, as previously stated**". **Motion passed.**

3. Resolution Awarding Power Management contract to Adirondack Energy LLC

One bid was received for this project. The bid amount was \$46,961.00. As the Commissioners may recall this is a device that is attached to the incoming electric service and will be installed at the Shorrock Street Water Treatment Plant. This system eliminates surges and power voltage spikes. The projection is to recoup the cost of the system within a three year period. With an ongoing savings in our electric at that location estimated to approximately \$11,000.00 to \$15,000.00 after that. Senator Singer asked if this system would be applicable to any of the Authority's other facilities. Mr. J. Flanbaum said that the Shorrock Street facility is the best candidate. The New Hampshire Avenue facility will have solar so it did not make sense to have it. The Shorrock Street facility is the second largest producer so it made sense to install the system there. Mr. Rappoccio said that a study was done at all the facilities. Also, extensive research was done with other MUAs. Senator Singer asked if anyone had any questions on this item. There was none. Mrs. Lapa read **Resolution # 16-01 Awarding Contract To Adirondack Energy LLC For A Power Management System**. Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **voice vote** all members present voted "**Aye**". **Adopted.**

4. Resolution to Add Northeast Private Client Group to 457B Plan

This financial management company is affiliated with Guardian Insurance. They provide financial planning including retirement savings and life insurance. Their materials were reviewed and Mr. Rappoccio feels that this company is a good addition to the other three companies that the Authority currently has. Mrs. Lapa read **Resolution # 16-02 Adopting An Additional Deferred Compensation Plan Company**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote** all members present voted "**Aye**". **Adopted.**

Mr. Rappoccio added one item to his agenda:

5. Adopt 2016 Budget Resolution

Yesterday the approved Authorities 2016 Budget was received back from the State. Mrs. Lapa read **Resolution # 16-03 2016 Adopted Budget Resolution Lakewood Township Municipal Utilities Authority**. Motion was made by Mr. Coles, seconded by Mr. Waxman. On **roll call**, all members present voted, "**Yes**". **Adopted.**

Mr. Bauer said that after working with the State to get final approval, the Authority had to update the Net Position Reconciliations Schedule in the Budget. Basically, the Authority has a very extensive capital project in the future years. After some items worth \$4 Million were added to sewer project, the Authority is left with \$215,000.00 to spend on sewer after this coming year. Mr. Waxman asked if it can be used for anything else. Senator Singer said no, it has to be used for sewer projects. Mr. Bauer said water and sewer are kept separately. When Mr. Bauer prepared the schedule he was very generous and the State did not question. A lot of water was moved into the sewer part to try to make this work. Senator Singer asked if all \$4 Million will be used in one year. Mr. J. Flancbaum said that \$4 Million was budgeted for this year, but it does not mean that it will cost that much. The Authority can make a decision then what the Authority would like to do. Senator Singer asked if it is a negative to spend that money. Mr. Bauer said it is not a negative. To go further the Authority will have to come up with alternate methods unless the connection fees come in significantly again this year and give the Authority additional funds. Senator Singer asked what the \$4 Million is being used for. Mr. J. Flancbaum said that half of that amount is being used for the elimination of the Woodlake Pump Station which has to be done. To replace the pump station would have been the same cost. The rest of the work, we will see what needs to be done. Senator Singer asked if the Authority will use \$4 Million. Mr. Bauer said no. Going forward the Authority has to really watch. Senator Singer said that this year is an aggressive year because the pump station replacement is \$2 Million. Senator Singer is not sure if all the second \$2 Million will be used. Part of it will go to the Leisure Village project will cost around \$60,000.00 to \$70,000.00. This year was a good year based on a lot of connection fees and hook ups. Senator Singer said he does not see the hook ups slowing down. Mr. J. Flancbaum said based on what he has seen this year it does not look like it will slow down. Mr. Bauer said in the water portion, after doing extensive projects worth \$6.5 Million, the Authority will be left with \$1.4 - \$1.5 Million. Senator Singer said he is happy that the Authority is upgrading the system. Mr. Bauer said it is good the Township sees that the Authority is using the funds. Senator Singer said that he and Mr. J. Flancbaum go to meetings at the County. A lot of towns have aging systems and are having big trouble. Their rate payers are getting huge raises because they do not have money. If the Authority had waited till the tank in Industrial Park failed, the Authority would have been in the same situation. We are ahead of the curve. Problems are identified and worked on. The old asbestos pipes are being replaced. Some are forty years old. Mr. Bauer said that the Authority was very conservative on the surplus in the budget this year. It is going to be much more because of the connection fees. That will help somewhat. Mr. Rappoccio said that the net position is based off the smaller connection fee that was built into the budget. Senator Singer said Kaplan has properties near the Wawa with 2 pads. One is 40,000 square foot and he is planning on developing it this year. Spirit Unlimited from Route 9 will move to Route 70. That is just one project of many coming. Mr. J. Flancbaum said the second duplex project across the street will start soon. There is also a project on Locust Street called Locust Grove that just started.

Mr. Bauer said that the State was very happy with the budget. They had a lot of questions while going over our debt schedule. Since part of the back end of the debt was extinguished it has to be incorporated this year. Also this year the audit will be a little bit more complex. Pension liabilities have to be included in the analysis in the audit financials. This is what was done with the health benefits in previous years. The figures

from the State have to be included in the audit for the unfunded pension liability. Senator Singer said the Authority is ahead of the curve with regards to health insurance. Mr. Bauer said yes, the Authority is one of the few that have taken it on ahead of time.

VII. Engineer's Report

1. RFQs for Engineering Services for Calendar Year 2016

Resolution Accepting Qualifications

There are three engineering firms, LS Engineering, BET Consultants and WJH Engineering, which are not being recommended for approval until they submit additional qualifications. Senator Singer wanted to comment on this. The Authority does not deny any firms but the Authority asks that they have basic qualifications. These firms are not known to the Authority. The Authority has not done business with them. But the Authority needs to be shown qualifications that they can do this type of work in order to be added to the list of engineering firms. Mr. Waxman asked if reference and insurance checks are done. Mr. Morrill said that these three firms did not show any water and sewer project experience. Until they submit confirmation that they have background in these areas, they will not be added. Senator Singer said that the Authority has a lot of firms that have vast experience in this area. When the firms submit experience in water and sewer they will be put on the list. Mr. Morrill said at this time there are several engineering firms that can be put on the approved list conditioned on the engineer and attorney letters that were sent to them. These firms are Matrix New World Engineering, Suburban Consulting Engineers, Charles A. Manganaro Consulting Engineers, H2M Architects & Engineers, Bowman Consulting and AECOM Engineering. Mrs. Lapa read **Resolution # 16-04 Accepting Submissions In Response To Request For Qualifications For Engineering Services For 2016**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **voice vote** all members present voted "**Aye**". **Adopted.**

2. Magnolia II

Resolution Granting Technical Approval

Technical approval is conditioned on the T&M Associates review letter dated December 17, 2015. Mrs. Lapa read **Resolution #16-05 Grant Of Technical Approval Magnolia II Subdivision**. Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **voice vote** all members present voted "**Aye**". **Adopted.**

3. East County Line Road 4 Lot Subdivision

Resolution Granting Final Approval

Final approval is conditioned on the GTS Consultants review letter dated January 5, 2016. In the packet it stated the date of the letter incorrectly as January 4, 2016. Mrs. Lapa read **Resolution #16-06 Grant Of Final Approval East County Line Road 4 Lot Subdivision**. Motion was made by Mr. Sernotti, seconded by Mrs. Fish. On a **voice vote** all members present voted "**Aye**". **Adopted.**

4. Flushing Hydrant Installations

Resolution Awarding Change Order #1

This Change Order is for the construction company called DSC Construction in the amount of \$11,000.00. This is for raising the hydrants that were just installed. The water lines were deeper than the Authority had knowledge of. This covers the cost of putting on the extension kits on the hydrants. Senator Singer questioned how many hydrants were installed. Mr. Morrill said there were nine hydrants. Senator Singer asked that this type of work should not be done on Fridays. Senator Singer wanted to

inform the commissioners what happened with the hydrant installation. A very good job was done with the flushing installation. Like everything else it started to work out on time at first but then it did not. At this time of year, Shabbos/Sabbath comes in early and this affects a lot of the families. What happened was that an unmarked cable line to a home was hit. On Friday afternoon the cable company is not coming out to fix it. This is a lesson to be learned. If something goes wrong on a Friday, you are stuck. On Wednesday or Thursday you can call the utility company and tell them it was not marked out properly and it needs to be fixed. This was planned out well and Senator Singer gives credit to everyone, it was an excellent idea. The concept was great. The best laid plan of mice and men can start out great but ends up differently. The public should not be inconvenienced if not necessary. Senator Singer said that in the future there should not be plans for work on Fridays or prior to a Holiday. Mrs. Lapa read **Resolution #16-07 Authorizing Change Order No. 1 Flushing Hydrant Installations**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **voice vote** all members present voted **“Aye”**. **Adopted**.

5. Wells #1, #3, & #5 Building Rehabilitations

- Resolution Awarding Change Order #1
- Resolution Awarding Contract

The Change Order is in the amount of \$138,444.00 for the installation of new submersible pumps and motors for Wells No. 1 and No. 3. After consulting with the IT Department, it was recommended to change the pumps and motors at this time. Since all the switching gear for the project is being changed now. Putting the older pumps and motors on the new loads could cause failure of the motors. So it is better to change when we have control over it rather than it failing in the summer months. These wells are the summer production wells. Mr. J. Flanbaum said that these motors are forty years old. Mr. Morrill said that these motors were put in service somewhere between 1965 and 1967. Mrs. Lapa read **Resolution #16-08 Authorizing Change Order No. 1 Wells No. 1, No. 3 And No. 5 Building Rehabilitations**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote** all members present voted **“Aye”**. **Adopted**. Senator Singer wanted to mention that the connection fees received allow the Authority to have the money to make these changes without having to go out and bond. This is a major change order. Senator Singer said he would like to give credit to the IT and Engineering Departments. These are forty year old motors and pumps and if this repair would have to be made during the summer as an emergency the cost would have been much higher and possibly not have the correct replacements but would have to use it anyway. This is possible to be done in the proper manner because of the connection fees revenue. This is the answer to people that ask the Authority why connection fees are charged. Mr. Smith said besides the connection fees are provided for by law. Senator Singer said that some developers in outlying areas are saying that they do not want to go with the Authority; they would like to go with New Jersey American Water Company. The answer to them is that this is the Authority's service area and you do not have a choice. If the Authority would allow the developers to go with New Jersey American Water Company two things will happen. The Authority would not get the connection fees that help keep our rates low. Secondly, you will have one side of the block with New Jersey American Water Company at rates forty percent higher than the Authority side. Once the developer leaves the homeowners will come complaining why this was allowed. The answer is that this project is in the Authority's service area therefore you are the Authority's customer. If you do not want to follow the rules, then do not build. Senator Singer wants to make it clear that the Authority is not giving up its service area. The developers get money back from New Jersey American

Water Company, but that is changing. Mr. J. Flancbaum said that they are giving back less money to the developers. But eventually that will go away. Mr. Waxman asked how that happened. Senator Singer said that the BPU changed their rules. Mr. J. Flancbaum said that they are giving too much money away and the rates are getting too high. Senator Singer said the difference is that the developer lays out the money and as the homeowner's hook up the developers get money. This is a kicker. The rate payers are paying for it. Mr. J. Flancbaum said that they are a publicly traded company and it is all about accounts, the more the better. Whereas in the Authority's area it is part of the development and the rate payer is not paying for it.

A contract is being awarded for the installation of sanitary sewer laterals at Wells No. 1 and No. 3. The quotes were opened this morning at 9:00 A.M. The quotes ranged from \$45,000 to \$23,000. The three lowest were DSC Construction at \$22,900, T.R. Weniger, Inc. at \$23,800 and Mark Wozszak Mechanical Engineers at \$24,800. Mr. Morrill is asking for approval of one of these three after the review of the bid documents by engineering and the Attorney. Mrs. Lapa read **Resolution #16-09 Awarding Contract Wells No. 1, No. 3 And No. 5 Building Rehabilitations**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **voice vote** all members present voted **"Aye"**. **Adopted**.

6. Abandonment of the Woodlake Pump Station

- Resolution Awarding Change Order #2

This project is also known as Route 88 Sanitary Sewer. This Change Order is in the amount of \$5,800.00. This is for construction of a temporary access roadway at Pine Belt Chrysler. This is due to the conflict of two construction projects going on at the same time. They have to be kept open. This was not anticipated during the original design plans. The two projects ended up being built at the same time so a temporary construction road has to be built. Mr. Waxman asked if the property owner can pay. Mr. Morrill said no, it is really because of the Authority's construction that this needs to be built. Mrs. Lapa read **Resolution #16-10 Authorizing Change Order No. 2 Abandonment of the Woodlake Pump Station**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote** all members present voted **"Aye"**. **Adopted**.

7. Leisure Village Drainage Improvements Maintenance Area

- Resolution Declaring Emergency

This is for replacement of a sanitary sewer line in Original Leisure Village. In the packet is a memo written by Mr. Morrill indicating that this is a situation which is endangering the health of the public and it needs to get replaced. Senator Singer said that this is a very disturbing issue. The Authority thought the Village would take part in this but they are not going to. The problem is that the pipe is too close to the surface and it has to be protected. Once work is being done, it should be replaced and upgraded. It is an old asbestos pipe. The Village is being cooperative. But at the end of the day the Authority has to take care of it. Mr. Waxman asked how much the cost will be. Mr. Morrill said the cost is just under \$70,000.00. Mr. Waxman questioned if the Village will partner with the cost. Senator Singer said no, they will not. But this has to be taken care of. The pipe is not deep enough. They wanted to encase it in cement, which is okay. Since the pipe is fifty years old the best route would be to upgrade it. Mr. Waxman asked if the new pipe will be put in deeper as well. Mr. Morrill said absolutely. The pipe will be a ductile iron pipe. Mr. J. Flancbaum said it is the main trunk line that accepts all the waste water. Senator Singer said that this pipe is from the Original Leisure Village built by Leisure Technologies. A lot of the lines were not marked out properly and not done properly.

There was no one overseeing them. This is an important upgrade since it is a key line. If this line goes out, there will be major problems. Once it is open it should be done and the Authority is probably saving money by doing it. Mr. Morrill said that when the original line was put in, it had to be at this depth because of the treatment plant. But the treatment plant was abandoned. In the late 1980's the Authority put in the Harrogate trunk sewer which connected to the Ocean County line. That was put in deeper. That allows this pipe to be lower. Which the Authority had started doing but there were other factors that it was not continued at that time. It was always anticipated that this pipe would be put in lower. When Original Leisure Village revised their entrance way, they were going to put in one inch of asphalt on top of this pipe. It would have been a matter of time before the pipe ruptured and that would be a direct spill into Kettle Creek which has direct access to the Authority's wells. Senator Singer said that he wanted to reiterate that having the surplus enables the Authority to do what needs to get done. There are items that crop up and are not anticipated. Mrs. Lapa read **Resolution #16-11 Declaration Of Emergency Leisure Village Drainage Improvements Maintenance Area**. Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **voice vote** all members present voted "**Aye**". **Adopted**.

VIII. Attorney's Report

New Jersey Business Systems – Mr. Smith has a resolution which approves the settlement of the case of the Authority vs. New Jersey Business Systems. The next step is a resolution approving the settlement. Until there is a formal resolution approving the settlement, it is not an official settlement. Senator Singer asked if it can be approved and then it will be discussed in closed session. Mr. Waxman asked should it be the other way around. Senator Singer asked if there is a question on the amount. Mr. Waxman asked Mr. Smith if he recommends it. Mr. Smith said yes, he recommends it. Senator Singer said if there are any questions, it can be discussed in closed session. Mrs. Lapa read **Resolution #16-12 Authorizing The Entering Into And Execution Of A Settlement Regarding Docket No. OCN-L-3798-13 In The Ocean County Superior Court**. Motion was made by Mr. Coles, seconded by Mr. Waxman. On **roll call**, all members present voted, "**Yes**". **Adopted**. Senator Singer thanked Mr. Smith and Mr. J. Flancbaum for their efforts.

IX. Executive Director's Report

1. Resolution Awarding Contract for Electricity Supply Services

A reverse auction for electricity supply was held on December 1, 2015 through Energy Market Exchange. The lowest bidder was SFE Energy at a price of 8.2 cents per kilowatt hour for twenty four months. This is an estimated two years savings of \$58,780.00 when compared to the JCP&L tariff of 9.7 cents per kilowatt hour. A phone poll was conducted on December 1, 2015 and this resolution is to ratify the phone poll. Mrs. Lapa read **Resolution #16-13 Awarding Contract To SFE Energy For Electricity Supply Services**. Motion was made by Mr. Coles, seconded by Mr. Sernotti. On **roll call**, all members present voted, "**Yes**". **Adopted**.

2. Resolution Awarding Contract for Laboratory Testing services for Calendar Year 2016

A proposal opening was held on December 29, 2015. Three proposals were received. One was from Precision Analytical Services, Inc. of Toms River. The second was from J.R. Henderson Labs, Inc. of Beachwood and the third was from Eurofins of Southampton, PA. The Authority does not want to consider Eurofins as one of the criteria in the RFP is that the vendor is within reasonable proximity to our facilities and

they are located in Pennsylvania. Both Precision Analytical Services and J.R. Henderson Labs are companies we have worked with in the past. Precision Analytical Services is slightly less expensive, therefore, we would like award the services contract to both companies with the preference to Precision Analytical Services and J.R. Henderson being second. Senator Singer said the Board of Health also has two laboratories approved. If one is tied up, you use the second. Mrs. Lapa read **Resolution #16-14 Awarding Contract For Laboratory Testing Services**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote** all members present voted "**Aye**". **Adopted**.

3. **Resolution Awarding Contract for Cleaning Services for Calendar Year 2016**
On December 29, 2015 four proposals were received for cleaning the administration and operations buildings for 2016. The proposals ranged from \$700.00 per month to \$1,500.00. The company that was used last year quoted \$868.00 per month which included a three percent increase from last year's price. The lowest price would give the Authority a savings of over \$2,000 per year. Mr. J. Flancbaum recommends going with the lowest priced company. Some of the references were contacted and they were happy with this company. Senator Singer asked where the company of the lowest bidder is located. Mr. J. Flancbaum said he does not remember the exact town. They are in North Jersey, not that far. If for some reason they do not work out we can always revert to our current company. The company's name with the lowest price is Best Cleaning Building Service from Ridgefield. Mrs. Lapa read **Resolution #16-15 Awarding Contract For Cleaning Services For The Year 2016**. Motion was made by Mr. Coles, seconded by Mr. Sernotti. On a **voice vote** all members present voted "**Aye**". **Adopted**.
4. **Resolution Authorizing a Software & Hardware Maintenance Agreement with Edmunds & Associates, Inc. for Calendar Year 2016**
A proposal was received from Edmunds for a total of \$10,849.00 which is \$945.00 higher than previous years. Edmunds realized that in previous years the Authority was not charged for the accounts receivable module. Edmunds is not back charging the Authority. Mr. J. Flancbaum recommends approval of the agreement. Senator Singer said that Edmunds is used for everything. Mrs. Lapa read **Resolution #16-16 Awarding Contract To Edmunds And Associates, Inc. For Computer Software And Hardware Maintenance 2016**. Motion was made by Mr. Sernotti, seconded by Mr. Waxman. On a **voice vote** all members present voted "**Aye**". **Adopted**.
5. **Resolution Awarding Risk Management Agreement for Calendar Year 2016**
A proposal was received from Conner Strong and Buckelew. As in previous years their proposed fee is six percent of the Authority's annual JIF assessment. The JIF assessment is \$79,323.18 which would bring Conner Strong and Buckelew's fee to \$4,759.39 for 2016. Conner Strong and Buckelew have always provided excellent service and Mr. J. Flancbaum recommends awarding them the contract for this year. Mrs. Lapa read **Resolution # 16-17 Awarding Risk Management Consultant Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-5(1)(a)(i)**. Motion was made by Mr. Waxman, seconded by Mr. Sernotti. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.
6. **Resolution Awarding Contract to Hatch Mott MacDonald for Preparation of RTRC Sample Siting Plan**

The EPA published an update to the total coliform rule which goes into effect on April 1, 2016. One of the key components of the plan is that each system must develop a sample siting plan for the purpose of having a single comprehensive document for all the system sampling. The new plan does not have to be submitted to the DEP for approval but it has to be kept on site in case the DEP comes and requests review. Hatch Mott MacDonald gave a lump sum proposal for \$5,900.00 to review our existing SOP's, meet with our operators to review monitoring sites and schedules, and because our population is increasing the Authority may have to increase the monthly samples twenty to twenty five samples per month. The completed plan will be submitted to the Authority for our review within thirty days after authorization. It is felt that the price is fair for the work required. Mrs. Lapa read **Resolution #16-18 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 Mr. Coles. On a **voice vote** all members present voted "**Aye**". **Adopted.**

Mr. Flanbaum added on another item to his agenda:

7. Mr. Flanbaum asked for the Commissioners approval for a two percent salary increase for the employees effective January 1, 2016. Mrs. Lapa read **Resolution #16-19 Awarding Two Percent Pay Increase To All Employees Effective January 1, 2016.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted, "**Yes**". **Adopted.**

X. Instrumentation/IT Department Report

1. Shorrock St. WTP SCADA conversion update

Work is progressing on the completion of SCADA conversions at the Shorrock Street Water Treatment Plant. Completion is anticipated to be in March. Then all the Bristol Babcock equipment will be gone and the equipment will be one hundred percent GE.

2. Shorrock St. WTP new control room status

The Authority is in the process of having the contracted integrator, ITS, Inc., come in either the week of February 1st or the 8th to physically install the new GE RTU electronics subpanel, modify the existing control panel's front door controls and test and debug the ASR operation of the station. They will be completing this work within the weeks' time frame barring any unforeseen issues. That will be the last remote station to be converted. Everything will be GE equipment. In being made aware that the filter media changeover at the Shorrock Street Water Treatment Plant will result in having to keep the potassium permanganate chemical in use for at least the foreseeable future, we had to select a different plan in order to provide a new control room area that we originally slated for the old chemical room. Working with the architects, we came up with reutilizing the existing bathroom/shower space which could be modified to eliminate the shower area and reduce the bathroom area while still being ADA compliant. The shower area was not being utilized at all and the existing bathroom was oversized for a single person use. The entire main infrastructure is already in place making for a significant reduction in construction costs. In addition, the bathroom's proximity is directly next to the original control room providing for easy rerouting of all the fiber optic lines. In just briefly re-highlighting why this move is necessary in the first place, the present control room has continuous flowing water in it used for water quality sampling making for a bad environment for our critical SCADA computer equipment. Senator Singer said that how it was designed that way is beyond comprehension. Mr. Farina said it was designed completely off. The buildings fire water system is located in the same space creating a

potential destructive environment to our computers should a leak or breakage occur. This will be taken care of in the next couple months.

3. Shorrock St. antenna tower build status

With regards to the new antenna tower construction at Shorrock Street, the excavating contractor has delivered the equipment to the work site and we are currently waiting on final mark outs and Township Construction Department approvals. This is estimated to be ready in the next few days to a week. Weather permitting the foundation will be able to be set in place.

IT Status Report

4. G.I.S. implementation/progress update

The GTS Proposal for 2016 is being reviewed. A meeting is being scheduled to discuss how we are going to move forward. The recommendation is to have GTS submit a more detailed proposal that includes seven issues as follows.

1. Summary – that clearly states what was done and how much capital they have been using
2. Needs Assessment
3. Objectives
4. Methods
5. Evaluation
6. Future and/or necessary cost
7. Budgets

Mr. Farina together with the Executive Director will meet with GTS and inform them that the Authority would like to have these objectives met so that tighter control can be kept on this project. This is a fairly large project and is cost consuming as well.

5. Telephone system Service Provider update

A contractor that is capable of taking care of the phone equipment was finally found. They are familiar with the Avaya System that the Authority has currently in place. The agreement is being looked over and will be sent for attorney review. Then a final decision will be made.

XI. Commissioners' Report

XII. MEETING OPEN TO THE PUBLIC

There was no response from the public.

XIII. MEETING CLOSED TO THE PUBLIC

XIV. CLOSED SESSION

Senator Singer asked for a closed session to discuss three items, litigation, contract negotiations and personnel. The meeting went into closed session at 10:47 A.M. Mrs. Lapa read **Resolution #16-20 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

A motion was made by Mr. Sernotti, seconded by Mrs. Fish at 11:06 A.M. to go back into open session. On a **voice vote** all members present voted "**Aye**". **Motion carried.** Senator Singer said that contract negotiations will be disclosed later when settled.

Mr. J. Flancbaum said that all the Commissioners have received the meeting calendars. If anyone has any problems, please let him know. Also, on March 8, 2016 the Elected Officials Training will take place after the meeting at 3:15 P.M.

XVI. ADJOURNMENT

A motion was made by Mr. Sernotti, seconded by Mrs. Fish to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 11:07 A.M.

Respectfully submitted,

Nechama Lapa,
Secretary, LTMUA