



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

May 7, 2019

- I. Senator Singer opened the meeting at 10:00 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. S. Flancbaum, Mr. Theibault, Mrs. Fish and Senator Singer. Mr. S. Flancbaum 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 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 April 2, 2019, was made by Mr. Theibault and seconded by Mrs. Fish. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**

Mr. Waxman arrived at 10:01 A.M.
- VI. **Chief Financial Officer Report**
 1. **Financial Results Review For Period Ending April 30, 2019**
The Authorities net position for the period ending April 30, 2019 is approximately \$1.1 Million. This is approximately \$85,000.00 ahead of the budget. The Authority's operating revenue is approximately \$5.3 Million. This is approximately \$141,000.00 ahead of the budget. This is being driven by the water and sewer service charges. The

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Authority's expenses through April 30, 2019 are approximately \$4.1 Million. This is slightly behind the budget. This is being driven by higher engineering charges.

Mr. Waxman is seated. Mr. Lichtenstein is no longer serving as an alternate.

2. Motion to Approve Operating Vouchers

Mr. Rappoccio provided the commissioners with a list of abstentions. There is one addition to the list in the amount of \$391.50. The amended amount for the Operating Expense Vouchers is \$1,325,646.89. A **motion** to approve operating vouchers in the amended amount of \$1,325,646.89 was made by Mr. Theibault, seconded by Mr. Waxman. On **roll call**, all members present voted, "Yes" with **noted abstentions**. **Motion Carried.**

3. Resolution Adopting Financial Advisor Services

Northwestern Mutual would provide financial advisory services to the employees. There is no cost to the Authority. This is a good option for the employees. Mrs. Lapa read **Resolution No. 19-43 Adopting Financial Advisor Services**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted **"Yes"**. **Adopted.**

The financing for the Administration Building loan has been approved and will be signing the closing documents on May 23, 2019. The sewer lines loan has not been approved yet. Senator Singer asked if any money was received. Mr. J. Flancbaum said that there are two loans, for the Administration Building and sewer lines. The rates are seventy five percent interest free and twenty five percent is half market rate.

VII. Engineer's Report

Mr. Ponsi's Report

1. Update of Rules and Regulations

- Motion Approving Addendum No. 32

Some of the materials in the detail are being revised to what the manufacturers can provide. A **motion** to update the Rules and Regulations was made by Mr. Waxman, seconded by Mr. Theibault. On **roll call**, all members present voted **"Yes"**. **Adopted.**

2. New Hampshire Avenue School South of Oak Street (Rabbi Pinkiowitz-Nachlay Torah)

- Resolution Granting Conceptual and Technical Approval

On April 25, 2019 Grant Engineering issued conceptual and technical review of the project. At this time the Authority may grant conceptual and technical approval for the project conditioned on the Grant Engineering letter dated April 25, 2019. Mrs. Lapa read **Resolution No. 19-44 Grant of Conceptual And Technical Approval New Hampshire Avenue School South Of Oak Street**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. Mr. Theibault questioned who the builder is. Mr. J. Flancbaum said it is Naftali Neuman of Supreme Builders. On **roll call**, all members present voted **"Yes"**. **Adopted.**

3. Lanes Mill Road 15 Lot Development (Harvard Partners, LLC-Mendy Kay & Chaim Abadi)

- Resolution Granting Final Approval

On April 12, 2019 the Authority received the final submission package. On April 16, 2019 GTS Consultants issued final review no. 1. At this time the Authority may grant final approval for the Lanes Mill Road 15 Lot Development conditioned on the GTS letter

dated April 16, 2019. Mrs. Lapa read **Resolution No. 19-45 Grant Of Final Approval Lanes Mill Road 15 Lot Development**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, Mr. S. Flancbaum, Mr. Waxman, Mrs. Fish and Senator Singer voted “**Yes**”. Mr. Theibault abstained. **Adopted**.

4. 150 Airport Road 4th Building (Lakeside Holdings, LLC-Stephen Werdiger & Chaim Abadi)

- Resolution Authorizing Executive Director to Endorse Applications

The project has come to the point where the Authority can now endorse the OCUA applications. At this time the Authority may authorize the Executive Director to endorse applications for the 150 Airport Road Fourth Building project. OCUA approval is required because the flow is over 2,000 gallons per day. Mrs. Lapa read **Resolution No. 19-46 Authorizing Executive Director To Endorse Applications 150 Airport Road Fourth Building**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted “**Yes**”. **Adopted**.

5. Lanes Mill Road School No. 3 (Yeshiva Toras Yisroel-Pinchus Stern & Abe Auerbach)

- Resolution Authorizing Executive Director to Endorse Applications

At this time the Authority may authorize the Executive Director to endorse applications for the Lanes Mill Road School No. 3 project. OCUA approval is required due to the proposed development generating a flow of over 2,000 gallons per day and multiple buildings at the site being connected to a single lateral. Mrs. Lapa read **Resolution No. 19-47 Authorizing Executive Director To Endorse Applications Lanes Mill Road School No. 3**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, Mr. S. Flancbaum, Mr. Waxman, Mrs. Fish and Senator Singer voted “**Yes**”. Mr. Theibault abstained. **Adopted**.

6. 216 Joe Parker Road 28 Lot (Eli Schwab)

- Resolution Releasing Performance Guarantees

On October 3, 2017 the Authority initially approved the release of the performance guarantees. At this time the maintenance bond period would be expiring. At this time the Authority is redoing the performance bond release to address whatever items are remaining, if there are any. This would enable the project to get closed out. Mr. Waxman asked if money is being withheld. Mr. Ponsi answered the Authority have bonds in place and there is some in escrow. On May 2, 2019 the Authority issued a new letter indicating the requirements for the performance guarantees to be released. At this time the Authority may release the performance guarantees conditioned on the Authority’s letter of May 2, 2019. Mr. S. Flancbaum asked if there will not be a maintenance bond. Mr. Ponsi said no, this project already went through the maintenance bond period. The maintenance bond period would have expired in April 2019. Mr. Waxman asked why they are not forced to finish the items they are supposed to. Mr. Ponsi said they are pretty much done. It is a matter of final inspection. Once a project is substantially completed, the contractor can ask to go on maintenance bond. They did initially and Mr. Ponsi established the substantial completion date two years ago to be in April. Mr. S. Flancbaum asked if they went on the maintenance bond. Mr. Ponsi said they never finished the maintenance bond process. Therefore they were on performance bond the whole time. Mr. J. Flancbaum said that this costs them more money. Mr. S. Flancbaum said that the Authority had the benefit of the full bond. Mr. J. Flancbaum said the maintenance guarantees expire while the performance guarantees do not expire. So this is actually better for the Authority. Mr. Theibault asked if this is the housing development on Joe Parker Road. Mr. J. Flancbaum said it is the one near Mr. Theibault’s house. Mrs. Lapa read **Resolution No. 19-48 Releasing Performance**

Guarantees 216 Joe Parker Road 28 Lot. Motion was made by Mr. Waxman, seconded by Mr. S. Flancbaum. On **roll call**, Mr. S. Flancbaum, Mr. Waxman, Mrs. Fish and Senator Singer voted “**Yes**”. Mr. Theibault abstained. **Adopted.**

7. Pine Street School (Mordechai Berenfeld & Abe Auerbach)

- Resolution Approving Terms of Developers Agreement

On April 15, 2019 a meeting was held to discuss the terms for the Developer's Agreement. Included in it is a fair share contribution for connecting into the sewer line that is being constructed down Vassar Avenue and East Spruce Street. As well as an agreement to allow them to temporarily install a pump station to connect into another line that will ultimately be abandoned. In that agreement is a bond to make sure that they do that work so they will abandon the pump station. At this time the Authority may accept the terms of the Developer's Agreements as described above. Mrs. Lapa read **Resolution No. 19-49 Authorizing The Execution Of The Developer's Agreement Pine Street School.** Motion was made by Mr. S. Flancbaum, seconded by Mrs. Fish. On **roll call**, Mr. S. Flancbaum, Mr. Waxman, Mrs. Fish and Senator Singer voted “**Yes**”. Mr. Theibault abstained. **Adopted.**

Mr. Farrell's Report

8. Cellular Antennas Ridge Avenue & New Hampshire Avenue Tanks

- Motion Authorizing Notice to Bidders

On March 20, 2019 the Authority received a lease agreement from AT&T for the New Hampshire Avenue Tank and Ridge Avenue Tank. On April 29, 2019 the agreement was forwarded to the Authority Attorney for review and comment. Terms of the lease include rent at \$35,000.00 per year with a three percent annual increase and \$10,000 per site to cover engineering fees for the Authority. On June 1, 2019 the Authority anticipates issuing the Notice to Bidders for the Ridge Avenue Tank. On July 1, 2019 the Authority anticipates issuing the Notice to Bidders for the New Hampshire Avenue Tank. At this time the Authority may authorize the issuance of the Notice to Bidders for cellular carriers at the Ridge Avenue and New Hampshire Avenue Tanks. Mr. Waxman asked if there is one package for both tanks. Mr. J. Flancbaum said there will be one motion for two bids. This is being initiated by AT&T. A **motion** to authorize notice to bidders for the two tanks was made by Mr. Waxman, seconded by Mr. S. Flancbaum. On **roll call**, all members present voted “**Yes**”. **Adopted.**

9. County Line Manor Pump Station Upgrades Gravity Sewer Main

- Resolution Awarding Professional Services Contract

On April 17, 2019 the Authority received a proposal from DeBois Environmental Consultants, LLC to provide a Critical Wildlife Mitigation Report in the lump sum amount of \$2,500.00. This report is being requested by the NJDEP. At this time the Authority may award a professional services contract to DeBois Environmental Consultants in the lump sum amount of \$2,500.00. Senator Singer asked how much this project is costing the Authority. Mr. J. Flancbaum said the elimination of the pump station and installation of the gravity sewer line the construction cost estimate is \$1.1 Million. Senator Singer asked how much it would cost to replace with a new pump station. Mr. J. Flancbaum said very close to that amount. Senator Singer said it seems to never end. Mr. J. Flancbaum said this was initiated by the CAFRA Permit, the Wildlife Mitigation Study. There was .15 acres of critical wildlife habitat. The Authority has to mitigate it. The Authority received verbal from the NJDEP that the Authority can give payment in lieu of saving that area. It comes to \$3,000.00. Mrs. Lapa read **Resolution No. 19-50 Awarding Professional Services Contract County Line Manor Pump Station**

Upgrades Gravity Sewer Main. 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 he has two matters that need to be discussed in closed session and executive session.

IX. Executive Director's Report

1. Asset Management Plan

Our Asset management plan was completed in accordance with the water quality accountability act prior to the April 19th implementation deadline. Fortunate for us many aspects of the plan were already implemented or were already in the works so it was a matter of compiling everything into one comprehensive document. The plan does not have to be submitted to the DEP but needs to be available for review upon request during an inspection. We are required, to submit one report every three years based on the plan, identifying improvements made and planned. The first report is due in April 2022.

2. Authorization to Bid for 9' Utility Body With Crane to be Installed on Existing Chevrolet 3500 HD Chassis

Authorization to Bid is needed for the purchase of a nine foot utility body with crane to be installed on an existing Chevrolet truck. Mr. Waxman wanted to know what the cost is. Mr. J. Flancbaum said it will be just over the bid threshold, about \$43,000.00. This is in the budget for this year. This will lift pumps and motors. A **motion** for Authorization to Bid for the nine foot utility crane was made by Mr. Waxman, seconded by Mr. S. Flancbaum. On roll call, all members present voted “Yes”. **Adopted.**

X. Technical Operations Report

Field Operations Report:

1. Carbon Building Safety Project

The mechanics fabricated a steel structure walking deck for our carbon treatment building at our Shorrocks Street Water Treatment Plant in order to safely service the top of the carbon filter tanks and change burned out lighting. This became a necessity this year because we are scheduled to change the media in one of the tanks. With the initial design of the building there was no way to get up there safely. Now that it is completed, workers can get up there safely.

2. Well Nos. 9 and 16 Work

The mechanics are working on the piping at Well No. 9 which is located in the Shorrocks Street well field. This well is normally inundated with iron which causes the piping diameter to be severely reduced in size resulting in decreased yield. They are in the process of repairing a valve and replacing some of the damaged piping along with deteriorated bolts and nuts. After they have completed most of their work, the well driller came in to perform an inspection and video of the pump, motor and casing of the well. Well No. 9's motor and pump was found to be in need of replacement as well as the casing due to the heavy iron build up damage. Both wells will receive a thorough cleaning. After completion of service there will be a re-inspection and video of both wells.

3. Fire Hydrant Replacement Progress

Mr. Robbins and I met with our consulting engineer and took him out to the field to address fire hydrants that are in need of either repair, modifications or complete replacement. The consultant now has what he needs in order to prepare the Authority for the bidding process.

Technical Operations:

4. SCADA System Status

The SCADA systems are working well and are being effectively serviced and updated by our outside contractor. With that said the current newly hired Technician has not worked out. We have decided to forgo having a SCADA person on our staff for the immediate future. This decision will not compromise the operation whatsoever as we have a service agreement that will provide emergency as well as scheduled service to our SCADA system. In addition there are currently existing managers and personnel that can take care of minor glitches and navigate around any other issues until proper people are on site to remedy. Perhaps sometime in the future we may elect to attempt to re-fill this position.

5. Radio Communication System Status

The microwave radios have been operating very well for over a month now. The next step is to meet with the contractor in order to formulate a service agreement. This will cover the event of any unforeseen emergencies.

6. Security and Card Key Access Project Status

Engineering and Operations met with our consulting engineer to update the security camera and access system installation in order to bring it up to date to prepare for the project to go out to bid.

IT Department:

7. Radio IT Related Work Status

Mr. McBride has completed all of the networking aspects of the microwave radio job and is just waiting on final as-built diagrams.

8. SCADA Support Software

Mr. McBride is working on our Iconics SCADA software platform to consolidate the software into one cohesive package to be stored on our server and remove it from the individual machines. This will not only strengthen the security aspect but will remove any nuisance failures due to an individual machine breaking down. He is also getting provisions setup so that he and designated managers and operators will receive formal basic training on the software. Now that we have SCADA in our hands and we are comfortable with it, all the major problems that once faced us are now behind us. This is maintenance in keeping it alive. As the years progress, all the people involved including operators, managers and outside contractors are getting trained to making basic maintenances and trouble shooting. For a drastic failure, the outside contractor will be called in.

GIS Department:

9. Mapping Conversions

Mr. McClain has converted 1998 mapping to the GIS format in order to match existing field map layouts.

Senator Singer suggested that next time you look to fill the SCADA position, a search company should be used. The reason is that they go through the bulk of the applicants and provide you with ones that have the expertise needed, as opposed to the Authority getting all the applications and finding out that nine out of ten have no idea or understand the position. Mr. Farina said he has gone down that path to acquire the recent SCADA position. It is such a specific position, they were basically of no help to the Authority. Senator Singer asked which one he used. Mr. Farina said they used a place in Howell that specializes in technical positions. Senator Singer said there are some online companies. Mr. J. Flancbaum and Mr. Farina said they will certainly look into it. Senator Singer said that the problem is that this person needs to know electrical aspects which put it out of the realm of an IT person. It is a hybrid and is hard to find. Someone with an electrical background might be more applicable than a programming background. Maybe we can get this from a technical school. Lots of money was spent on the SCADA person hired and it was a waste. There are vocational schools that are tied into community colleges up in North Jersey that might have a person that might fit this position. Research has to be done on that. There are two community colleges up north that are into this kind of field and work with vocational schools. They have electrical and programming background. But they would have to be willing to relocate or come down this way.

XI. Commissioners' Report

XII. MEETING OPEN TO THE PUBLIC

XIII. MEETING CLOSED TO THE PUBLIC

XIV. CLOSED SESSION

Senator Singer asked for a closed session for litigation and contract negotiations. The meeting went into closed session at 10:28 A.M. Mrs. Lapa read **Resolution No. 19-51 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

Open session started at 10:43 A.M. Senator Singer said that contract negotiations and litigation was discussed. Mr. Pfeffer will comment on the contract negotiations. Mr. David Herzog has come before the commissioners at prior meetings requesting the Authority give a certain LTMUA service area to New Jersey American Water Company. Mr. Pfeffer has looked into this and Mr. Pfeffer makes a recommendation not to do this. The Authority can present him an offer. The offer would be for him to pay the Authority \$180,000.00, which is the cost for him to install well and septic. The Authority will do the work which will actually cost the Authority in excess of \$500,000.00. This would be added to the Authority's Capital Budget for the year 2020-2021. Mr. Pfeffer will send Mr. Herzog a formal letter which will give him 120 days to agree and provide the Authority with a twenty percent deposit. Thereafter the offer will be withdrawn and proceed as usual. Senator Singer said the time frame is given because it needs to go into the Capital Budget. Details of litigation will be released once it is settled.

XVI. ADJOURNMENT

A motion was made by Mr. Waxman, seconded by Mr. S. Flancbaum to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 10:43 A.M.

Respectfully submitted,

Nechama Lapa,
Secretary, LTMUA