



**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*

## **2012 REGULAR MEETING MINUTES**

- January 3, 2012
- February 7, 2012
  - March 6, 2012
- March 29, 2012
  - May 1, 2012
  - June 5, 2012
  - July 18, 2012
- August 7, 2012
- September 4, 2012
- October 12, 2012
- November 7, 2012
- December 4, 2012

### **LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY**

390 NEW HAMPSHIRE AVENUE, LAKEWOOD, NEW JERSEY 08701

PHONE (732) 363-4422 | FAX: (732) 905-0712 | [WWW.LAKEWOODMUA.COM](http://WWW.LAKEWOODMUA.COM)

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## THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

### Regular Meeting Minutes

January 3, 2012

- I. Senator Singer opened the meeting at 1:23 P.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 November 28, 2011 and the Tri-Town News on December 1, 2011.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**  
On the roll call the following Commissioners were present: Mr. Theibault, Mr. S. Flancbaum, Mr. Sernotti, Mr. Waxman, Mrs. Fish and Senator Singer. Mr. S. Flancbaum was seated as an alternate. The following professionals were present: Mr. Norman Smith, Esq. and Mr. Gerwin Bauer, Jr. Auditor. Mr. Justin Flancbaum, Executive Director, Mr. Paul Morrill, Engineer, Ms. Nancy Lapa, Secretary and Mr. Robert Farina, Instrumentation/IT Department Supervisor.
- V. **Minutes**  
A motion to approve the minutes of the Regular Meeting on December 6, 2011, was made by Mr. Waxman and seconded by Mr. Sernotti. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**  
  
A motion to approve the minutes of the Special Meeting on December 14, 2011, was made by Mr. Waxman and seconded by Mr. Sernotti. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**
- VI. **Accountant's Report**  
Mr. Bauer reported on the budget for 2012. Much of the items are summarized on the budget reports were given to the commissioners at the meeting. The budgets were reviewed in detail with the budget committee. Senator Singer said that the budgets were

based on the revenue of 2011. 2011 was a difficult revenue year due to the rain and other issues. Should there be a good season, things can change drastically. The Authority's revenues depend on the seasons. Should there be a wet spring or summer, or a summer that is not very hot, the revenue is affected. Mr. Bauer said that he doubts the Authority will go lower than the base of last year's revenue. Mr. Bauer asked if there are any questions on the budget. Mr. Waxman asked if the Authority is in healthy shape. Mr. Bauer responded yes, after the items covered by the debt service, there is ample reserve in the Fund balance to cover the items for the next five years. Mrs. Lapa read **Resolution # 12-03 2012 Water Operation Lakewood Township Municipal Utilities Authority Budget Resolution**. Motion was made by Mr. Sernotti, seconded by Mr. Waxman. On **roll call**, all members present voted, "**Yes**". **Adopted**. Mrs. Lapa read **Resolution #12-04 2012 Sewer Operation Lakewood Township Municipal Utilities Authority Budget Resolution**. Motion was made by Mr. Sernotti, seconded by Mr. Waxman. On **roll call**, all members present voted, "**Yes**". **Adopted**.

## **VII. Engineer's Report**

### **1. Meter Replacement Phase 2**

- ☐ Resolution Awarding Bid Contingent on NJEIT Approval

The Authority received three bids with the amounts in the range of approximately \$555,000 to \$885,000. The apparent low bidder is In Line Services, a division of the Stothoff Company for \$554,544. Mr. Waxman questioned the great disparity between the amounts of the bids. Mr. Morrill said the two low bids, \$554,000 and \$616,000, are not that far apart. Senator Singer asked what the Authority thought the approximate bid amount would have been. Mr. Morrill said he thought it would come in about \$650,000. National Metering, the second lowest bidder, was awarded the meter replacement for phase one. The Authority had good relations with them. In Line Services and National Metering have been competing on these bids and really worked hard on their numbers. Senator Singer asked if the installers are working with the Authority's field personnel and teaching them how to install and repair the meters. Mr. Morrill said the meter company is showing the Authority's employees how to. The Authority is installing some of the radio transmitters and the new style meters with radio transmitters and putting them on line. Mrs. Lapa read **Resolution # 12-05 Awarding Contract to In Line Services, Inc. for Meter Replacement Phase II**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **Roll Call**, all members present voted, "**Yes**". **Adopted**. Senator Singer asked if the Authority can sell the old meters. Mr. Morrill said that based on the contract, the Authority turns the meters over to the company for scrap. They give the Authority a credit for it. They test the meters and give the Authority a report that tells how accurate the old meters were. Based on what was seen, the revenues should go up with the installation of the new meters.

### **2. Bids and Quotes for Chemicals and Cold Water Meters 2012**

- ☐ Resolution Awarding Contract for the purchase of Cold Water Meters
- ☐ Resolution Awarding Contract for the purchase of Sodium Hypochlorite

- ☐ Resolution Awarding Contract for the purchase of Hydrated Lime
- ☐ Resolution Awarding Contract for the purchase of Dry Calcium Hypochlorite Briquettes
- ☐ Resolution Awarding Contract for the purchase of Liquefied Chlorine Gas

Bids were received for all the above chemicals and cold water meters. All the prices were all very close to last year's. Senator Singer said that Mr. Morrill should make sure that all the chemicals are stored properly and labeled so there should not be any problems with the DEP. Mr. Morrill said that the Authority is in compliance. Mr. Morrill said that the Authority is purchasing three types of chlorine. Sodium Hypochlorite is a liquid chlorine solution. The Authority is trying out a new system with Dry Calcium Hypochlorite Briquettes. They are safer to store and easier to work with. At this point we are not sure how they compare cost wise. The third type of Chlorine, Liquefied Chlorine Gas, the Authority is attempting to phase out completely. Mrs. Lapa read **Resolution # 12-06 Awarding Contract for Cold Water Meters to the Lowest Bidder.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **Voice Vote**, all members present voted, "Aye". **Adopted.** Mrs. Lapa read **Resolution # 12-07 Awarding Contract for Sodium Hypochlorite to the Lowest Bidder.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **Voice Vote**, all members present voted, "Aye". **Adopted.** Mrs. Lapa read **Resolution # 12-08 Awarding Contract for Hydrated Lime to the Lowest Bidder.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **Voice Vote**, all members present voted, "Aye". **Adopted.** Mrs. Lapa read **Resolution # 12-09 Awarding Contract for Dry Calcium Hypochlorite Briquettes to the Lowest Bidder.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **Voice Vote**, all members present voted, "Aye". **Adopted.** Mrs. Lapa read **Resolution # 12-10 Awarding Contract for Liquefied Chlorine Gas.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **Voice Vote**, all members present voted, "Aye". **Adopted.**

### 3. Redevelopment of Wells #16, #9, and #10

- ☐ Resolution to Rescind Change Order # 1 to the Professional Services Contract  
Mr. Morrill said that previously there was a Change Order for Birdsall in the amount of \$9,500 for engineering analysis for Well #16 in regards to the wires burning and motor. Mr. Morrill spoke with the Authority's technical department and they said that it was not necessary at this point to bring in an electrical engineer; the modifications can be done in-house with an electrician. Mrs. Lapa read **Resolution # 12-11 Rescinding Change Order No. 1 Redevelopment of Wells Nos. 9, 10 and 16.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **Voice Vote**, all members present voted, "Aye". **Adopted.**

### 4. New Hampshire Avenue Treatment Plan

- ☐ Resolution for Change Order # 4  
The under drain system in existing filters needed to be removed and replaced. There was an emergency at the beginning of last summer to get them cleaned. The cost for to remove and replace the under drains is \$96,091. Mrs. Lapa read **Resolution # 12-12 Authorizing Change Order No. 4 Expansion and Upgrades to New Hampshire Avenue Water Treatment Plant.** Motion was made by Mr. Sernotti, seconded by Mrs. Fish. On a **Roll Call**, all members present voted, "Yes". **Adopted.**

**5. Airport Road Water Storage Tank Replacement**

- ☐ Resolution Awarding Contract for cutting and capping the existing water main  
The subcontractor, CB&I, stated that they wanted an additional \$4,400 to cut and cap pipe when they found out that pipe is an asbestos cement pipe. Mr. Morrill told the engineer to get bids and to have this done with a different contractor. The lowest bid came in by Caruso in the amount of \$3,980. This amount will be deducted from CB&I's contract. Mrs. Lapa read **Resolution # 12-13 Awarding Contract for Cutting and Capping The Existing Water Main Airport Road Water Storage Tank**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **Voice Vote**, all members present voted, "Aye". **Adopted**.

**6. Installation of Blow-off Hydrants and the Repair of Valves and Boxes**

- ☐ Resolution for Change Order #1 to Professional Services Contract  
This is a contract with Ernst, Ernst and Lissenden from a year ago. Mr. Morrill received the plans and specifications over that period of time. Some of the problems were fixed by the Authority as emergencies and would like to add other areas. Ernst, Ernst and Lissenden have asked for a Change Order in the amount of \$2,659 for the revised plans and specifications required for the items added to contract. Mrs. Lapa read **Resolution # 12-14 Authorizing Change Order No. 1 and Extend Contract Installation of Blow-Off Hydrants and Repair of Valve Boxes**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **Voice Vote**, all members present voted, "Aye". **Adopted**.

**7. Modifications to the Water Line for New Hampshire Avenue Due to the County Improvements**

- ☐ Resolution Accepting Maintenance Bond and Releasing Performance Bond  
After the Maintenance Bond is found acceptable by the Authority's Attorney, the Performance Bond will be released. Mrs. Lapa read **Resolution # 12-15 Release Performance Guarantees New Hampshire Avenue Water Main Improvements**. Motion was made by Mr. Sernotti, seconded by Mrs. Fish. On a **Voice Vote**, all members present voted, "Aye". **Adopted**.

**8. Cedar Bridge Raw Water Mains**

- ☐ Resolution Accepting Maintenance Bond and Releasing Performance Bond  
This is for the clearing of trees. Mrs. Lapa read **Resolution # 12-15 Release of Performance Guarantees Cedar Bridge Raw Water Main**. Motion was made by Mr. Sernotti, seconded by Mr. Flancbaum. On a **Voice Vote**, all members present voted, "Aye". **Adopted**.

**9. RFQs for Engineering Services 2012**

- ☐ Resolution Accepting Qualifications  
In the packet on page 25 is a list of the engineering firms that submitted RFQ's. The documents that were submitted by the firms can be accepted subject to the review of the Authority's engineer and attorney. Mr. Smith said that this is an alternate bidding process that was adopted by the State Contracts Law around twelve years. Instead of formal bids, the Authority can formally advertise for qualifications and accept them, the

contracts can be awarded through the course of the year on the unit pricing that they provided without further formal bidding process. Mrs. Lapa read **Resolution # 12-17 Accepting Submissions in Response to Request for Qualifications for Engineering Services**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **Voice Vote**, all members present voted, "Aye". **Adopted**.

**10. Route 88 73 Unit Development and Community Building – Project Status**

At last month's meeting, the final approval was given to this development. Additional submission packages were received from them. Also, the Authority received the plan for the Woodlake Sanitary Sewer from the applicant's engineer. It is in the process of being reviewed. Mr. Smith added that after great effort and the participation of Senator Singer, a satisfactory Developer's Agreement that everyone is happy with has been agreed upon. They have yet to sign it until they find out exactly how many lines they will have to repair on the Woodlake Sanitary Sewer. Mr. Waxman asked how they are going about it. Mr. Smith said they started by submitting a plan to Mr. Flancbaum and Mr. Morrill to review. An option was given to them. If they do not want to do it, they do not have to do it. The Authority will do it, but they will have to pay the Authority for taking care of it. Mr. Smith wanted the commissioners to be aware that the Authority did their job and the developer has not signed it.

**11. County Line Manor – Project Status**

On December 20, 2011, the Authority received a check from the bonding company in the amount of \$120,000. This is for the onsite work that needs to be done.

**12. Brick Township Municipal Utilities Authority Interconnections – Project Status**

The Authority was looking at two locations for the interconnections. Mr. Morrill would like to discuss with the engineer hired, to investigate for other possible locations because one location appears to be very expensive. Mr. Morrill said the Shorrock Street location already has interconnection and will be one of the locations. The other location, Lanes Mills Road, requires a bridge crossing. It seems that it will be very expensive. We want alternate locations to be investigated, possibly Route 88. Mr. Waxman questioned why this is taking so long. This was approved a while ago. Mr. Morrill said the engineer is going through the plans and coming up with ideas. The Lanes Mills Bridge has some piers driven in that are sixty feet deep. To directional drill underneath it, would be very expensive and extremely long. Other alternatives are being discussed. It bends, so maybe it can be bent in the other direction. Therefore, Mr. Morrill would like the engineer to look at other options. Mr. Morrill will ask him to come back next month with a new proposal and have his contract extended.

**VIII. Attorney's Report**

Mr. Smith reported earlier in the engineer's report.

**IX. Executive Director's Report**

**1. Resolution- Reimbursement for Waiver of Health Benefits**

Mr. Flancbaum confirmed with the labor counsel, Mr. John Mercun, how to compensate employees that would like to waive health benefits. Mr. Flancbaum received the

recommendation in writing. Senator Singer explained that the Authority has a separate labor counsel. Any employee related issues are directed to the labor counsel. Mr. Flancbaum said that Mr. Mercun recommends that the employee be compensated based on the most expensive plan as further incentive for the employees to opt out. Senator Singer said that it is a benefit to the Authority that the employee waives the health insurance benefits. Even though cash payment is given to the employee, it is far less than the health benefits premium. This is done by other Authority's and the Ocean County Health Department. The State says that the maximum amount that can be compensated is \$5,000. Mr. Flancbaum said the formula for compensation is twenty five percent of premium paid by the Authority or \$5,000 which is less. Mrs. Lapa read **Resolution # 12-18 Authorizing the Creation of a Health Benefits Waiver Program**. Motion was made by Mr. Sernotti, seconded by Mr. S. Flancbaum. On a **Roll Call**, all members present voted, **"Yes"**. **Adopted**.

The next item will be discussed in closed session

**X. Instrumentation/IT Department Report**

Mr. Farina said that this past month he has been working closely with the contractors and our own phone contractor to get all the necessary fiber optic, data and phone lines run from the Administration Building over to the new Operations Building. We were waiting for some fiber optic patch cables that have arrived this morning. They were installed. This completes the installation so that computers and telephones can operate in the new building.

We are currently working with the antenna and radio contractor, New Jersey Business Systems, with setting forth a procedure in which they can test the system and the Authority will accept it as properly functioning and reliable.

We are in the process of dedicating specific time and scheduling so that major programming of the SCADA System can start and continue with minimal disruption.

An effort will begin to take place to facilitate security at our remote sites, the lift stations and water tanks. This can be done because the antenna system has been installed.

We have mapped out new extensions as well as a fax line for the new Operations Building. We are preparing to move operations data into our main servers to facilitate security and interoffice collaboration. In addition, we have overhauled the maintenance, logging and flow tracking system for Operations and are preparing to migrate the system to the new Excel server which will upgrade us from Excel 2003 to 2010 and allow greater functionality.

Senator Singer questioned if our computer system is up to date on security. The Authority has a lot of customer information. Mr. Farina replied that Mr. Copeland dedicates a large amount of his time to security and it is up to date. Senator Singer asked Mr. Copeland if he can tell if someone has tried to get into the Authority's system. Mr. Copeland said you cannot tell.

**XI. Commissioners' Report**

Senator Singer reminded that next month's meeting, February 7, 2012 will be the Re-Organization Meeting.

Mr. Waxman said the appraisal cost for Pine Belt easement in the amount of \$8837 seems high. The amount of the easement was \$9,825. Senator Singer said he agrees. But, a proper appraisal has to be gotten to avoid someone saying you paid too much, you could have paid much less. The Authority has to be able to document exactly why we paid the amount for the easement. In this particular case the amount of the appraisal cost is close to the amount of the easement itself. Mr. Smith said that this is a thorough and professional appraisal. If the cost of the easement was \$150, the cost of the appraisal would still be the same amount of \$8,000. The appraisal company still has to go through the underlying analysis in order to get an appraisal that will hold up in a condemnation proceeding.

**XII. MEETING OPEN TO THE PUBLIC**

There was no response from the public.

**XIII. MEETING CLOSED TO THE PUBLIC**

**XIV. MOTION TO APPROVE THE OPERATING VOUCHERS**

Mrs. Lapa added an addition to the Operating Vouchers for Mr. Norman Smith for services rendered in the amount of \$13,464. A **motion** was made by Mr. Waxman and seconded by Mr. Sernotti to approve the Operating Vouchers in the amended amount of \$581,909.48. On a **Roll Call**, all members present voted, "**Aye**". **Motion passed.**

**XV. CLOSED SESSION**

A **motion** was made by Mr. Waxman and seconded by Mr. Sernotti to go into closed session at 1:55 P.M. to discuss personnel. On a **voice vote**, all members present voted, "**Aye**".

**XVI. OPEN SESSION**

**XVII. ADJOURNMENT**

A **motion** was made by Mr. S. Flancbaum, seconded by Mrs. Fish to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 2:10 P.M.

Respectfully submitted,

Nancy Lapa,  
Secretary, LTMUA



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## THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

### Regular Meeting Minutes

February 7, 2012

- I. Senator Singer opened the meeting at 2:15 P.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 and the Star Ledger on February 10, 2011.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**  
On the roll call the following Commissioners were present: Mr. Theibault, Mr. S. Flancbaum, Mr. Sernotti, Mr. Coles, Mr. Waxman, Mrs. Fish and Senator Singer. The following professionals were present: Mr. Norman Smith, Esq. and Mr. Gerwin Bauer, Jr. Auditor. Mr. Justin Flancbaum, Executive Director, Mr. Paul Morrill, Engineer, Mrs. Nancy Lapa, Secretary and Mr. Raphael Copeland, Instrumentation/IT Department Coordinator.
- V. **Minutes**  
A motion to approve the minutes of the Regular Meeting on January 3, 2012, was made by Mr. Sernotti and seconded by Mr. Coles. On a **voice vote**, all members present voted "**Aye**". **Motion carried.** A motion to approve the minutes of the Water Rate Hearing held on January 3, 2012, was made by Mr. Sernotti and seconded by Mr. Waxman. On a **voice vote**, all members present voted "**Aye**". **Motion carried.** A motion to approve the minutes of the Sewer Rate Hearing held on January 3, 2012, was made by Mr. Sernotti and seconded

by Mr. Waxman. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**

## **VI. Accountant's Report**

Mr. Bauer was in contact with the State today. The State signed off on the approved budget and will be mailing it out the next morning. They were both approved without change and they can be adopted by resolution. Mrs. Lapa read **Resolution # 12-24 2012 Water Operation Lakewood Township Municipal Utilities Authority Adopted Budget Resolution**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On **roll call**, all members present voted, "**Yes**". **Adopted.** Mrs. Lapa read **Resolution # 12-25 2012 Sewer Operation Lakewood Township Municipal Utilities Authority Adopted Budget Resolution**. Motion was made by Mr. Coles, seconded by Mr. Sernotti. On **roll call**, all members present voted, "**Yes**". **Adopted.** Mr. Bauer has another item that will be discussed in closed session.

## **VII. Engineer's Report**

### **1. Repair and Replacement of Sanitary Sewer on Redondo Lane**

- ☐ Resolution Rejecting All Bids
- ☐ Resolution for Change Order #1 to Professional Services Contract
- ☐ Motion Authorizing Advertisement to Rebid

Mr. Morrill reported that the Authority accepted bids for the project. The lowest bidder was Mazzara Trucking & Excavation at \$188,000. The next lowest bidder was \$232,000. As explained in a letter, from the Authority's attorney that is in the packet, the bid from Mazzara has a fatal flaw and cannot be accepted by the Authority. The Authority has the option of awarding the bid to the second lowest bidder or to reject all bids and rebid the project. Mr. Morrill recommends rejecting the bids and put it out to bid again. Senator Singer asked the commissioners if they are okay with the project going out for bid again. Everyone was okay with it. Mr. Smith explained that the lowest bidder had a Consent of Surety that was completely ineffective. They had the wrong number. The statute creates five documents that are considered absolutely mandatory as opposed to required. In the words of the statute, failure of any of them is a fatal error and cannot be cured by the commissioners. The bid has to be rejected. Mr. Smith said that all the bidders were notified in writing about this rejection. Mrs. Lapa read **Resolution # 12-26 Rejecting All bids and Authorizing New Solicitation of Bids**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On **voice vote**, all members present voted, "**Aye**". **Adopted.** Mrs. Lapa read **Resolution # 12-27 Authorizing Change Order No. 1 and Extend Contract Redondo Lane Sanitary Sewer Extension**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On **voice vote**, all members present voted, "**Aye**". **Adopted.**

### **2. Redevelopment of Wells #16, #9, and #10**

☐ Resolution Ratifying Award of Contract

On January 6, 2012 three bids were received. The lowest bid was from AC Schultes for \$98,985. To award the contract to AC Schultes a phone poll was done. A resolution ratifying the phone poll and awarding the contract is needed. Mrs. Lapa read **Resolution # 12-28 Awarding Contract to A.C. Schultes, Inc. for Redevelopment of Wells Nos. 9, 10 and 16.** Motion was made by Mr. Waxman, seconded by Mr. Coles. On **voice vote**, all members present voted, **"Aye". Adopted.** Mr. Smith commended Adam Ponsi on the terrific detailed backup that was provided on this motion.

**3. Annual Engineer's Reports 2009, 2010, 2011**

☐ Resolution Awarding Professional Services Contract

T&M Associates gave the Authority a proposal in the amount of \$9,950 to prepare the three annual engineer's reports. Mr. Morrill recommends accepting it. Mrs. Lapa read **Resolution # 12-29 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 Mrs. Fish. On a **voice vote**, all members present voted, **"Aye". Adopted.**

**4. Update Rules and Regulations**

☐ Motion to Approve Changes to the Authority's Rules and Regulations

In the packet on page nine is the revised detail for concrete cradle construction. Mrs. Lapa read **Resolution # 12-30 Approving and Adopting Revisions to the Lakewood Township Municipal Utilities Authority Rules and Regulations.** Motion was made by Mr. Waxman, seconded by Mr. Coles. On **voice vote**, all members present voted, **"Aye". Adopted.**

**5. Meter Replacement Phase 2 – Project Status**

Three bids were received. The lowest bid was from In Line Services. The Authority needs to purchase meters also. On January 26, 2012, the Authority received authorization to award from NJEIT Financing Program. The contract was awarded. Pre-construction meetings are being set up to start the project.

**6. New Hampshire Avenue Treatment Plan – Project Status**

Substantial progress has been made. Mr. Morrill said that he has been pushing pretty hard and they have made good strides on getting the filters done. The project is still further behind than we would like. There is a schedule and they say they will keep it. The treatment plant should be online by April 1<sup>st</sup>. One building, a small well house, was not constructed yet. They will start the construction this week.

**7. Possible Abandonment of the Woodlake Pump Station – Project Status**

In the packet is a sketch of the area of Route 88 and Mr. Morrill handed out a picture of the area. There was some interest expressed by a developer. The developer was looking to develop a project along Route 88, across from the Maco Auto Repair Shop. A sanitary sewer was designed for the area. The original sanitary sewer design was estimated at around \$500,000. The revised sewer design, which would bring the line down Route 88 and service all the properties on Route 88, was estimated at around \$800,000. Mr. Morrill would like to go ahead and investigate and see if the Authority can work with the developer towards the construction of the first phase of the sewer. At the present time, the Authority has around \$170,000 set aside for the construction of the sewer line. When the analysis was done in 2005, it was determined that the construction of the line at \$500,000 would save the Authority approximately \$10,000 per year in maintenance and operations costs. Senator Singer asked from where it has to be extended. Mr. Morrill said in order to service the single developer; it would have to go from the Exxon Station to three doors down from the Maco Auto Repair Shop. Mr. Morrill said that without doing more analysis he would not know whether it would be economically feasible. Senator Singer thought that someone else is also putting money into the pump station. Mr. Morrill said yes. Due to the fact that other developers are expanding, \$100,000 is being set aside to upgrade the pump station. Senator Singer said that means the Authority has \$270,000 in the bank for this. An analysis has to be made to see what should be done. If the money is not used to upgrade the pump station, then the project has to be done. There is \$270,000 in the bank and needs another \$500,000. Should the Authority do the project and collect money as more people tie in. Or should the Authority upgrade the pump station and use the money to offset the \$10,000 per year expense for the next seventeen years. Mr. Morrill said the Authority first has to do an analysis to see which direction makes economic sense. Senator Singer said these projects are commercial buildings and will only have a few bathrooms. It may not pay to do the sanitary sewer. Senator Singer was wondering if at some point in the future a school might buy a building there and the school would not be able to pay the \$400,000. Senator Singer said Mr. Waxman might be able to help in this area. Mr. Morrill said he will get proposals from engineers to look at this.

**8. Cedar Bridge Raw Water Mains – Project Status**

Mr. Morrill said that the Authority has come up with a tentative alignment. On February 16, 2012, there will be a meeting with the County to go over the revised alignment and to find out the restrictions.

**9. Airport Road Water Storage Tank Replacement – Project Status**

On February 2, 2012 the subcontractor started removing the foundations of the old tank. After the foundation is removed and the punch list items are taken care of, the project will be completed.

#### **VIII. Attorney's Report**

Mr. Smith will report in the engineer's report.

#### **IX. Executive Director's Report**

##### **1. Resolution awarding contract to CME Associates for Water System review at Leisure Village East & Leisure Village**

Mr. Flancbaum has a proposal from CME Associates for \$15,000 to identify system deficiencies and prepare conceptual resolutions for the problems identified. There may be an additional request of \$2,500 for reimbursable costs. The total proposal is for \$17,500. Senator Singer said these systems are problematic and the problems have to be addressed. It is an old system and it was not done right to begin with. Mr. Waxman asked how this issue will be addressed. Mr. Flancbaum said the question is if new lines are needed. How many backflow preventers are needed? Can other things be done in the villages that will eliminate the need for additional backflow preventers? Senator Singer said the Authority needs to make sure that the part of the system that is the Authority's responsibility meets code. The Authority will inform the Villages what needs to be done for their part of the system. Mrs. Lapa read **Resolution # 12-31 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1 Et. Seq.** Motion was made by Mr. Coles, seconded by Mr. Sernotti. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

##### **2. Resolution awarding contract to Flett Associates, PC for investigation and evaluation of OCUA metering & billing**

Mr. Flancbaum said that Mr. Donald Flett came to meet him a couple times. This is his specialty. The metering system will be reviewed for accuracy of sewage flow and review how the OCUA bills the Authority. We received references for him. One of the references was gotten from the Monroe Utility Department through Adam Ponsi. Senator Singer said that if Mr. Flett does not find anything then the OCUA is correct. The Authority had problems in the past with the OCUA billing the Authority incorrectly. We felt it was appropriate to have them reviewed due to the size of the OCUA bills. This proposal is to investigate the metering system and report back to the Authority. The proposal does not include recommendation of specific measure to correct any deficiencies found, only to investigate. The amount of the proposal amount is \$3,200. Senator Singer said that in the past the OCUA was double billing the Authority. Mr. Morrill said that the Harris billing system was giving bad information. He has worked for different municipalities and the references check out well. Last year the Authority discharged around 670 million gallons and the OCUA was paid approximately \$650,000. Mr. Smith said that there is a lawsuit pending in Monmouth County between several local authorities and one of the large regional authorities over how the sewer is measured. Mr. Smith is keeping an eye on the lawsuit and nothing has happened yet. Mrs. Lapa read **Resolution # 12-32 Awarding**

**Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1 Et. Seq.** Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

**3. NJEIT Resolutions**

There are two NJEIT resolutions that need to be passed in conjunction with the new metering project and the supplemental loan. Mrs. Lapa read **Resolution # 12-33 The Lakewood Township Municipal Utilities Authority Concerning Review of the Findings of the Local Finance Board Made at a Meeting of said Board on December 14, 2011 in Accordance with the Provisions of N.J.S.A. 40A:5A-7 With Respect to a Project Financing of the Authority.**

Motion was made by Mr. Coles, seconded by Mr. Sernotti. On a **voice vote**, all members present voted, "**Aye**". **Adopted.** Mrs. Lapa read **Resolution # 12-34 Resolution Authorizing the Execution and Delivery of Loan Agreements to be Executed by The Lakewood Township Municipal Utilities Authority and each of the New Jersey Environmental Infrastructure Trust and the State of New Jersey, acting by and through the Department of Environmental Protection, and Further Authorizing the Execution and Delivery of Escrow Agreements, all Pursuant to the SFY 2012 New Jersey Environmental Infrastructure Trust Financing Program.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

**4. Resolution to adopt State Health Benefits for certain retirees**

Mr. Flancbaum said that the Authority is formalizing the adoption of the provisions of Chapter 48 of the State Health Benefits Program. Chapter 48 provides several options with regards to post retirement benefits for employees covered through the State Health Benefits Program. We are formalizing as policy a model based on the policies of Ocean County which provides for the following:

A) In order for an employee to be covered by the Authority the Employee must have twenty five years in the pension system with a minimum of fifteen years with the Authority. B) Both Employee and dependents will be covered upon retirement. C) The Authority will provide premium payment for surviving spouses. D) The authority will reimburse 100% of Medicare costs. E)

Commissioners appointed prior to May 21, 2010 who have the minimum required years into the system and with the Authority can also be covered. This resolution will be adopted today but will go into effect January 1, 2013. Funds have to be allocated for the post-retirement benefits. The resolution has to be sent to the State for their approval. Senator Singer did not participate in the vote. Mr. S. Flancbaum was seated as an alternate. Mrs. Lapa read **Resolution # 12-35 Resolution to Adopt the Provisions of Chapter 48.** Motion was made by Mr. Coles, seconded by Mr. Sernotti. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

Senator Singer returned back to the discussion. Mr. S. Flancbaum is no longer seated as an alternate.

5. **Resolution confirming P.L. 2011, Chapter 78 retiree contribution requirement** – Included in the item four.
6. **Resolution to adopt a “Safety Sensitive” Drug Testing Policy**  
Up until now the Authority did not have an official policy for drug testing. To date our field employees are sent annually for physicals and drug testing. This policy allows for drug testing at random for any employee in a “safety sensitive” position in which the use of drugs and alcohol poses a threat to other employees and public served by the Authority. This includes the entire operations staff and anyone that operates an Authority vehicle, works in the treatment plants, operators, etc. A third party will be hired to set up random drug tests. Mrs. Lapa read **Resolution # 12-36 Resolution Adopting a Drug Free Workplace Policy**. Motion was made by Mr. Waxman, seconded by Mr. Sernotti. On a **voice vote**, all members present voted, **"Aye"**. **Adopted**.
7. **Resolution to adopt a Vehicle Use Policy**  
At last month's the “on call program” was changed. Any employee that is “on call” for the week, will be allowed to take home the Authority's vehicle should they need to come in. The policy was prepared and established through advice of Labor Counsel. This policy clearly articulates the Authority's vehicle usage policy; it includes what usage is allowed for during working hours and what our take-home vehicle procedures are. If the employee has to stop at certain places, it will be allowed, within reason. Senator Singer said if the employee stops at Wawa for a coffee or a quick pick up in the grocery store is okay. The Authority does not want families in the car. This can become an insurance issue. Mrs. Lapa read **Resolution # 12-37 Resolution Adopting a Vehicle Use Policy**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **voice vote**, all members present voted, **"Aye"**. **Adopted**.
8. **Resolution to establish a Flexible Spending Account Cafeteria Plan as per P.L. 2011, Chapter 78**  
Mr. Flancbaum explained that a Flexible Spending Account is a program that allows the employee to put aside a certain dollar amount from their paycheck's pre-tax at the beginning of the year to be used for certain medical expenses, for example - copays for doctor's visits or medication. You can also put aside for dependent day care expenses. Mrs. Lapa read **Resolution # 12-38 Adopting a Flexible Spending Account**. Motion was made by Mr. Sernotti, seconded by Mrs. Fish. On a **voice vote**, all members present voted, **"Aye"**. **Adopted**.
9. **Offer to purchase Authority Cell Antenna Lease Agreement** – Will be discussed in closed session.
10. **Lakewood Chaveirim-Request to install repeater at Ridge Ave. Tank**  
Chaveirim is a local volunteer organization. They are part of the Office of Emergency Management in town. They help people in need, in time of emergency. The police use their services and they also help the Township with emergencies. Mr. Coles was contacted by Chaveirim to assist them in setting up a repeater on one of our water tanks. We want to make sure that their

equipment will not interfere with any of our networks. We will work with them in good faith to determine whether we can help them out.

**11. Brick MUA Water Purchase; Termination of NJAWC Purchase Agreement –**  
Will be discussed in closed session.

Mr. Flancbaum has one more item to add to his agenda. A final agreement was worked out with the new owner of the property needed for Well No. 5 on New Hampshire Avenue. The land swap will be done and the Authority will give them \$700. The property owner has hired Mr. John Paul Doyle as their attorney and Mr. Jeffrey Karr as their engineer to take it to the Planning Board for site plan approval. The Authority will do a minor subdivision required for the land swap in conjunction with the site plan approval. The Authority will hire Mr. Doyle and Mr. Karr to do our part in conjunction with the property owner. Mr. Smith said he reviewed the contract carefully that Mr. Doyle drafted. The contract is very clear. It states that we are exchanging two sets of properties that are delineated in our engineer's report and the Authority is paying the difference of \$700, which is what our appraiser says is the difference. The Authority is hiring Mr. Doyle to do the Authority's share of the subdivision and is paying for the engineering costs for including the Authority in it. Mr. Smith prepared a resolution authorizing execution of the contract. Mrs. Lapa read **Resolution # 12-39 Authorizing Exchange of Land**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

**X. Instrumentation/IT Department Report**

Mr. Copeland gave a brief overview of department activities over the last month.

The Authority's Radio and Antenna system installation for Phase one is now completed and fully tested per the vendor. We are still due the written test results and there are some punch list items that must be taken care of as well as a customer training session. This will have to be completed prior to the Authority's acceptance.

The rehabilitation of the Well 16 pump house in terms of new electric as performed by the electrical contractor has been completed and the pump's new GE SCADA controls equipment that was performed in house.

In the continuing effort of the Authority to modernize the labor time keeping systems, an initial meeting has taken place with the first potential integrator. The meeting yielded some results as to what types of systems are available and information has been forwarded to the vendor so that at the next meeting the equipment discussed can be geared towards our exact needs.

The new security system has been installed and configured for the new operations building and we are in the process of system integration.

In addition, we have tied together our Excel server between the Operations building and the Shorrock Street plant so that field data can be entered on either



end. A new PC has also been set up in the Operations building for use of field staff in order to assist in sending out information such as boil water notices and viewing maps and plans.

**XI. Commissioners' Report**

The Flexible Spending Account was explained to the commissioners.

**XII. MEETING OPEN TO THE PUBLIC**

There was no response from the public.

**XIII. MEETING CLOSED TO THE PUBLIC**

**XIV. MOTION TO APPROVE THE OPERATING VOUCHERS**

A **motion** was made by Mr. Waxman and seconded by Mr. Sernotti to approve the Operating Vouchers in the amended amount of \$1,319,851.04. On a **Roll Call**, all members present voted, "**Yes**". **Motion passed.**

**XV. CLOSED SESSION**

A **motion** was made by Mr. Waxman and seconded by Mr. Coles to go into closed session at 2:55 P.M. On a **voice vote**, all members present voted, "**Aye**".

**XVI. OPEN SESSION**

A **motion** was made by Mr. Waxman and seconded by Mr. Sernotti not to renew the contract with New Jersey American Water Company and to authorize the Executive Director to sign a new contract with Brick Township MUA. On a **Roll Call**, all members present voted, "**Yes**". **Motion passed.**

There also was a discussion in the closed session regarding cell lease agreements.

**XVII. ADJOURNMENT**

A **motion** was made by Mr. Waxman, seconded by Mr. Coles to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 3:15 P.M.

Respectfully submitted,

Nancy Lapa,  
Secretary, LTMUA

# LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

390 NEW HAMPSHIRE AVENUE, LAKEWOOD, NEW JERSEY 08701  
PHONE (732) 363-4422 | FAX: (732) 905-0712 | [WWW.LAKEWOODMUA.COM](http://WWW.LAKEWOODMUA.COM)



## THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

### Regular Meeting Minutes

March 6, 2012

- I. Senator Singer opened the meeting at 10:12 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 10, 2012 and the Tri Town News on February 16, 2012.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**  
On the roll call the following Commissioners were present: Mr. S. Flancbaum, Mr. Coles, Mr. Waxman, Mrs. Fish and Senator Singer. Mr. S. Flancbaum was seated as an alternate. The following professionals were present: Mr. Norman Smith, Esq. and Mr. Gerwin Bauer, Jr. Auditor. Mr. Justin Flancbaum, Executive Director, Mr. Paul Morrill, Engineer, Mrs. Nancy Lapa, Secretary and Mr. Robert Farina, Instrumentation/IT Department Supervisor.
- V. **Minutes**  
A motion to approve the minutes of the Annual Reorganization Meeting on February 7, 2012, was made by Mr. Coles and seconded by Mr. Waxman. On a **voice vote**, all members present voted "**Aye**". **Motion carried.** A motion to approve the minutes of the Regular Meeting on February 7, 2012, was made by Mr. Waxman and seconded by Mr. Coles. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**
- VI. **Accountant's Report**

Mr. Bauer, at the request of Mr. Coles, prepared a schedule. Mr. Coles explained the reason he asked Mr. Bauer prepared the schedule. On the Township level there was talk that the Authority had a lot of money in reserve. There was early discussion of possibly the Township capturing some of that money for its budget. Mr. Bauer prepared a schedule showing exactly what the Authority has, that the Authority does not have an extraordinarily large amount of surplus. Any money that the Authority has is basically set aside for projects that are being done now and projects that will have to be done in the near future. Mr. Coles said he thinks that the Township coming to the Authority for funds is over. Senator Singer said the Authority acquired some of the money from different venues over the years and the Authority is using it for the system. Had the Authority not had the funds, some of the improvements would have not been done. Also, the rates would have to have been higher. The Authority subsidized the rates for a couple of years. The Authority would have gladly given the money to the Township if the Authority had money. Mr. Bauer said that the schedule shows that at the end of five years the reserve will be down to just close to \$2,000,000. The cost for Leisure Village issues may be close to \$1,000,000. Putting in the Route 88 sewer main extension and elimination of the pump station will cost close to \$2,000,000. Potentially at the end of five years, the Authority will not have any reserves. This does not take into account the growth that will happen. A minor growth was built in. The growth in Lakewood is supposed to be very high. Hopefully this will generate more reserves as consumption grows. The schedule takes all the bond issues and expenditures into account. The expenditures are based on the budgets sent to the DCA. Senator Singer said that the Authority has an aging system and the recent projects had to be done. The Toms River MUA only does sewer and has a \$22,000,000 surplus. The Toms River Township is always looking to their Authority for cash.

## **VII. Engineer's Report**

### **1. Woodlake Sanitary Sewer Improvements**

- ☐ Resolution Granting Technical Approval for the Woodlake Sanitary Sewer Improvement Plans

Mr. Morrill wants to grant technical approval so it can get to the State as soon as possible because of pending construction. This is the reason that there is no letter, only two verbal reviews. The engineer came in and the reviews were done in-house. Mr. Morrill plans on having a letter ready in the next couple of days. A meeting was held on January 9, 2012 and February 27, 2012. The concerns of the Authority are being addressed. The resolution should be passed pending that on the condition that all items in the forthcoming review letter are addressed and upon review of the Authority attorney. Mrs. Lapa read **Resolution # 12-40 Off Site Water Main Grant of Technical Approval Woodlake Sanitary Sewer Improvement Plans**. Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **Roll Call**, all members present voted, "**Yes**". **Adopted**.

### **2. Update of the Authority's GIS System**

- ☐ Resolution Awarding Professional Services Contract

The Authority has a proposal from GTS for \$17,240.00 for the first phase of the project. The Authority is marking all the curb stops as part of the meter

replacement program. This is the perfect opportunity to gather information while it is being marked out. GTS will send out a survey crew. Approximately one fifth of the Authority's service area is being done. Mr. Morrill said he did not want to give them a contract for the whole amount at this time. He would like to see how much the costs will be and if it is not exorbitant, the Authority will issue another contract. Mrs. Lapa read **Resolution # 12-41 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 Mrs. Fish. On a **Roll Call**, all members present voted, **"Yes"**. **Adopted.**

### 3. Shenandoah Manor

- ☐ Resolution Accepting Terms of the Developer's Agreement  
In the packet is the Schedule B for the Developer's Agreement. The rest of the agreement is standard boiler plate. The terms of the agreement are that the developer will build all off site and on site water and sewer systems and turn them over to the Authority. The Authority will not contribute and the developer will pay all connection fees. Mrs. Lapa read **Resolution # 12-42 Authorizing the Terms of the Developer's Agreement Shenandoah Manor Subdivision.** Motion was made by Mr. Coles, seconded by Mrs. Fish. On **voice vote**, all members present voted, **"Aye"**. **Adopted.**

### 4. New Hampshire Avenue Treatment Plant

- ☐ Resolution Awarding Change Order #5  
In the packet is a list of items that were completed in February. The change order is for \$5,717.00. This includes relocation of the water service, changing to electric hand dryers and replacement of a lighting panel. They might be finished not much later than the April 1<sup>st</sup> deadline. The project was held up because of various items such as not ordering the items in a timely fashion. They are doing well with putting in the piping. All the piping is installed. Now they are waiting for control panels. Senator Singer asked if the project is a few weeks away from restoration of the grounds. Mr. Morrill said that probably will not be done till fall. There still some pipes that needs to be installed in the yard. Mr. Morrill said he is forcing them to concentrate all their efforts on getting the plant and Well No. 7 and 17 operational. On Well No. 7 and Well No. 17, we are waiting for them to finish the roof so the electric can be done on the inside. It is disappointing. There will be a meeting with them today in the afternoon. They have been increasing their staff slightly, but we are pushing them even further. In the packet there is a letter that was sent to them indicating to them that they have to increase their effort and manpower. They have been working every Saturday. Senator Singer was wondering why they just do not bring in more workers. Mr. Flancbaum said that they have brought in some more laborers and also, a full time project manager in addition to the full time superintendent,. This increases the coordination efforts. Mr. Morrill said that the HVAC will be worked on throughout the summer. The environmental controls will not be in place. Hopefully, the equipment that will bring water into the building will be operational. Senator Singer asked what is holding up the roof on the well houses. Mr. Morrill said that they are waiting for the trusses. It seems like they did not order the trusses in a timely fashion. Mrs. Lapa read **Resolution # 12-43 Authorizing Change Order**

**No. 5 Expansion and Upgrades New Hampshire Avenue Water Treatment Plant.** Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **Roll Call**, all members present voted, "Yes". **Adopted.**

**5. Cedar Bridge Raw Water Mains**

☐ Resolution Awarding Change Order #1

The Change Order amount is \$144,908.49. Mr. Waxman questioned the large amount. It sounds like a whole new bid. Mr. Morrill said that there are new items that were not there before. This is partially due to the realignment and partially due to the addition of the conduit and hand holds for the fiber optic system. It was felt to be cheaper to put in fiber optics as opposed to radios at the remote well sites. When the costs were reviewed it was realized it was better to go with fiber optics. Fiber optics is forever as opposed to radios, which would need maintenance contracts. The change to fiber optics amounts to around \$80,000 of the Change Order. The radios would be over \$120,000. The maintenance is in the range of \$6,000 per year. Mr. Flancbaum said that fiber optics avoids the problems that can occur with radios such as service interruption during a storm. Mr. Morrill said that because of the CAFRA issue, it needed to be moved into the roadway. This cost around \$50,000. The total cost of the project will be \$492,655.89. The other bidders were JF Kiely for \$472,220 and \$498,471. These amounts were without the moving of the line into the roadway. The new cost of the project is still under the second and third bidder. This will have to go to the State because the change order is above the twenty percent threshold; it is forty one percent more. This happened only one other time at the Well No. 2 failure last year. The State came back with a letter stating that everything was done properly. Mr. Smith said that this resolution should be passed subject to his review. Mrs. Lapa read **Resolution # 12-44 Authorizing Change Order No. 1 and Extend Contract Cedar Bridge Raw Water Main.** Motion was made by Mr. Coles, seconded by Mr. Waxman. On a **Roll Call**, all members present voted, "Yes". **Adopted.**

**6. Meter Replacement Phase 2 – Project Status**

This is the bulk of the meter replacement for the Authority. This is a NJEIT project for \$3.5 Million. A preconstruction meeting was held on February 29, 2012. The installers signed the contracts. The first purchase of 2,800 meters is scheduled for this month at a cost of \$1,000,000. These include the large meters for Industrial Park and then we will move into the Villages, which use the small IPerl meters. Senator Singer asked how the replacement of the nonworking meters is going. Mr. Flancbaum said that a little over two hundred meter replacements were done in-house. They are hooked into the fixed based system. They will all be done within the next five months. Senator Singer asked how many nonworking meters were repaired. Mr. Flancbaum said about two hundred fifty to three hundred were done. There are around 700 more to be repaired. Senator Singer asked if any change was noticed. Mr. Flancbaum said that over the next month we will have a better idea if the new meters are bringing in increased revenue. The old meters slow down and with the new meters the reading should show more usage, which is the correct usage. Senator Singer asked if the broken meters that were replaced, were broken by the occupants. Mr. Morrill said a lot of them could not be read or the wire that connected the

remote was broken. These meters could not be read unless an appointment was made to read the meter in the house. Probably sixty percent of the meters were broken in the fact that the Authority could not get in to read them. Some meters were in fenced yards that were locked. Senator Singer said that he wants a policy that if we cannot get a radio read and we cannot get into the house, after a reasonable amount of days, we shut off their water service. Mr. Smith said that there is no problem with terminating service for that kind of conduct but an established and uniform protocol is needed. Senator Singer said the time frame for shutting off the service if they do not allow a worker in the home to check the meter should be around two weeks. Mr. Smith said he will discuss the logistics with Mr. Morrill and Mr. Flancbaum and formulate a policy. Mr. McGregor said that there will be reports generated by the new system that will tell us that a meter is not moving or a meter is going backwards. Senator Singer asked if the Authority has a policy if we find out that someone tampered with a meter. Mr. Smith said he will take care of this. Mr. Morrill said that the new meter, the IPerl, will send a signal to the billing system that it is being tampered with if someone shuts the water off and drains the meter.

#### **VIII. Attorney's Report**

Mr. Smith will report in the closed session regarding contract negotiations with the Toyota project.

#### **IX. Executive Director's Report**

**1. Resolution to Award Professional Services Contract to Lindstrom, Diessner, & Carr, P.C. to prepare Minor Subdivision & Site Plan. Block 1600 Lot 8 (Well 5 property )**

This is for the land swap. Lindstrom is doing the site plan for the new owner. It made sense to go with the same engineer for the Authority's work also. It will save the Authority money. The fixed items on the proposal are \$10,425 and the estimated fees are not to exceed \$2,100. The total is \$12,525. Mrs. Lapa read **Resolution # 12-45 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11- 5(1)(a)(i)**. Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **Roll Call**, all members present voted, **"Yes"**. **Adopted**.

Mr. Sernotti arrived at 10:40 A.M. Mr. S. Flancbaum is no longer seated as an alternate.

**2. Resolution to award Professional Services Contract to Carluccio, Leone, Dimon, Doyle & Sacks, LLC for legal work relating to the Minor Subdivision & Site Plan of Block 1600 Lot 8 (Well 5 Property)**

John Paul Doyle will represent the Authority before the Lakewood Township Planning Board. His fee is \$365 per hour. Mrs. Lapa read **Resolution # 12-46 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11- 5(1)(a)(i)**. Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **Roll Call**, all members present voted, **"Yes"**. **Adopted**.

**3. Resolution to award contract to AonHewitt for an Actuarial Analysis**

At last month's meeting the post-retirement health benefits were modified. An actuarial analysis needs to be done in order to determine how much funds needs to be set aside to cover these benefits. The Authority will use the same company, AonHewitt, for the analysis that we used before. The fee for the analysis will be \$8,000, same as last time. It is a comprehensive review of the employees and how many will be retiring in the next few years. Mr. Waxman questioned why the fee is the same as last time, if they already have the Authority's information in the system. Mr. Flancbaum said now the employee's dependents, spouses and commissioners are eligible for benefits. A lot more data is needed now for the calculations. Mr. Waxman asked if this is something that the Auditor can do.

Mr. Flancbaum said no. Mr. Smith said that actuaries are the most highly paid professionals. It is very hard to become an actuary. Mrs. Lapa read **Resolution # 12-47 Awarding Contract for Actuarial Analysis GASB 45 Valuation Services**. Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

**4. Sewer Line Replacement at Woodlake Country Club**

Mr. Flancbaum said that the Authority will be doing the sewer line replacement for some of the lines that are tributary to the Woodlake Pump Station. We hope to have it done over the summer. One of the lines run across holes number ten and eleven at the country club. A meeting was held with representatives of the country club to inform them what was being done and to be able to facilitate mutual cooperation between them and the developer that will be doing the work. They had concerns and requests. Mr. Flancbaum asked them to put it in writing so that it can be reviewed with the developer. There were eleven concerns and requests in the letter. All were alleviated except for three. Mr. Flancbaum wanted to bring these to the attention of the commissioners. One of the requests was that their irrigation pipes were over thirty years old in that area. They requested that all the piping within thirty feet on each side of the crossing be replaced. Mr. Flancbaum feels that this is not a reasonable request. The developer agreed to replace any irrigation piping that breaks within thirty days after the work was performed. They will not ask any questions and will replace the piping within forty eight hours. The county club agreed to this. The next request was to postpone the work until late October, the earliest, so that the summer peak season is not interrupted. The Authority's concern is that the developer plans on having fifteen to twenty five units closed by end of August. Late October may not be the best time weather wise also. Mr. Flancbaum said he explained to them that the Authority plans on applying for TWA Permits within the next couple of weeks and we should have something back within ninety days. The Authority would like to get the work done prior to the developer closing on the units. There is really no discussion on it. The third request was that the country club would like to get compensated for any loss of revenue. Mr. Flancbaum said that it would be impossible to quantify and as a utilities authority we are not under any obligation to reimburse. We are allowed to go in and do what is necessary for the improvement of the system. The Authority cannot accommodate that request. Mr. Coles asked how long will the holes be out of commission. Mr. Flancbaum said that taking into consideration and adding on a couple days for bad weather, it should not take more than two weeks. The pars

will not be taken out of commission, they will be made shorter. Another concern the country club had was that they outings. Mr. Flancbaum said that if they will call him in June and July and let him know when the outings will take place so that work should not be done at that time, we will try to work with them. Mr. Flancbaum said he did not guarantee it but will do his best to work with them.

**5. Proposed Legislation for Mandatory Fluoridation of all potable water supplies**

There is proposed legislation to mandate fluoridation of all proposed water supplies. At the request of Senator Singer, the anticipated cost for fluoridation to update the facilities to accommodate the fluoridation was researched. There are five points of entry, two treatment facilities and three well houses. The anticipated cost based on total capacity is a onetime fee of \$85,000. The cost of running it is about \$20,000 which is approximately a one percent increase in production costs. Currently it costs around \$2.00 per thousand gallons and with the fluoridation it will cost around \$2.02 per thousand gallons. Mr. Flancbaum said he does not think that \$20,000 increase per year will warrant an increase in rates. Mr. Flancbaum was in contact with other Utility Authorities and it cost them between \$500,000 and \$1,000,000. It depends how many points of entry you have to cover. There are no mandatory safety measures that are known yet. When we are informed of the mandatory safety measures, it may increase the initial amount to the most \$100,000.

**6. Closed Session - Contract Negotiations**

**X. Instrumentation/IT Department Report**

Mr. Farina gave a brief overview of department activities over the last month.

In addition to the final testing, the Well No. 16 replacement of the pump electrical and well control and the replacement SCADA GE RTU have been completed. A small amount of programming is due to be completed today.

New Jersey Business System completed Phases one and two of the radio work. We are going to start putting more equipment on the new radio system as they come available and online. They will start working on Phase three in the next week. They will be coming out to our two remaining sites, Well No. 2 and Well No. 3 to prepare for those installations.

We are going forward with the programming of the New Hampshire SCADA system.

The security equipment that controls the gate and doors at Shorrock Street is integrated with the computer at the New Hampshire Operations building. Now the doors can be controlled remotely. A low cost camera is being installed at the Shorrock site entrance so that we can see who is at the gate or door prior to them being opened.

Ongoing discussions are being held with an engineering/integration group on our remote location security efforts. New Jersey Business Systems will also be at our



sites in the near future to present their ideas as well. It is an extensive undertaking and can be quite expensive so we want to research it properly.

**XI. Commissioners' Report**

**XII. MEETING OPEN TO THE PUBLIC**

There was no response from the public.

**XIII. MEETING CLOSED TO THE PUBLIC**

**XIV. MOTION TO APPROVE THE OPERATING VOUCHERS**

A **motion** was made by Mr. Coles and seconded by Mr. Sernotti to approve the Operating Vouchers in the amended amount of \$1,622,045.59. On a **Roll Call**, all members present voted, "**Yes**". **Motion passed.**

**XV. CLOSED SESSION**

A **motion** was made by Mr. Sernotti and seconded by Mr. Waxman to go into closed session at 10:51 A.M. On a **voice vote**, all members present voted, "**Aye**".

**XVI. OPEN SESSION**

Open session started at 11:10 A.M. Contract negotiations were discussed. The Executive Director was authorized to look at selling the leases on the cell towers. The Executive Director will come back and if Mr. Smith approves the deal, the Authority gives the Executive Director authority to accept the offer.

**XVII. ADJOURNMENT**

A **motion** was made by Mr. Waxman, seconded by Mr. Sernotti to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 11:10 A.M.

Respectfully submitted,

Nancy Lapa,  
Secretary, LTMUA

# LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

390 NEW HAMPSHIRE AVENUE, LAKEWOOD, NEW JERSEY 08701  
PHONE (732) 363-4422 | FAX: (732) 905-0712 | [WWW.LAKEWOODMUA.COM](http://WWW.LAKEWOODMUA.COM)



## THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

### Regular Meeting Minutes

March 29, 2012

- I. Senator Singer opened the meeting at 10:03 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 March 26, 2012 and the Tri Town News on March 23, 2012.
- 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. Waxman, Mrs. Fish and Senator Singer. Mr. S. Flancbaum was seated as an alternate. The following professionals were present: Mr. Norman Smith, Esq. and Mr. Gerwin Bauer, Jr. Auditor. Mr. Justin Flancbaum, Executive Director, Mr. Paul Morrill, Engineer, Mrs. Nancy Lapa, Secretary and Mr. Robert Farina, Instrumentation/IT Department Supervisor were in attendance.
- V. **Minutes**  
A motion to approve the minutes of the Regular Meeting on March 6, 2012, was made by Mr. Waxman and seconded by Mr. Sernotti. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**
- VI. **Accountant's Report**

Mr. Bauer said the audit for year ending October 2011 is finished. Copies of the audit were given out. Prior to this meeting, Mr. Bauer met with the Finance Committee to go over the audit. Mr. Bauer explained the financial highlights of the audit. Affidavits have to be signed by the commissioners. Mrs. Lapa read **Resolution # 12-48 Acceptance of 2011 Audit**. Motion was made by Mr. Sernotti, seconded by Mrs. Fish. On a **Roll Call**, all members present voted, **"Yes"**. **Adopted**.

## **VII. Engineer's Report**

### **1. Repair and Replacement of Sanitary Sewer on Redondo Lane**

#### ☐ Resolution Awarding Contract

The original bids were rejected and it was put out to bid again. The previous lowest bidder came in second time again as the lowest bidder at \$204,000. This bid is higher than their original bid of \$188,000. They are still well under the other original bidders. Mr. Morrill recommends awarding the contract to Mazzara Trucking and Excavating for \$204,328. This is well under what the Authority originally figured it would be. Mrs. Lapa read **Resolution # 12-49 Awarding Contract for Redondo Lane Sanitary Sewer Improvements**. Motion was made by Mr. Sernotti, seconded by Mr. Waxman. On **voice vote**, all members present voted, **"Aye"**. **Adopted**.

### **2. Brick Township Municipal Utilities Authority Interconnections**

#### ☐ Resolution Awarding Change Order #1

This is a change order for Leon Avakian for \$47,500. This is an increase scope of work for professional services. They say that the interconnections will require booster pumps. A booster station will have to be designed to raise the pressure from Brick to bring it to Lakewood. This also includes the construction observation which was not in the original scope of work. The original scope of work was just for investigation and design of a simple interconnection. Mr. Theibault asked where the line is originating from and where is it going to. Mr. Morrill said that the Authority is investigating four locations – 1. Lanes Mills at the Metedeconk River. This looks like it will be cost prohibitive and it will probably be eliminated 2. Route 88 at the Brick border 3. Chambers Bridge Road at the Brick border and 4. Shorrock Street. At Shorrock Street there already is an interconnection. If it is done at that location it will only be an upgrade. A booster pump will be needed at all locations. The Brick system is not much higher than ours. The only time a booster pump would not be needed is if the Authority has a total failure and all the pressure was lost. Mr. Sernotti questioned why the Authority has to pay for the booster pump. Mr. Flancbaum explained that originally the Brick Authority wanted us to purchase a set amount of water per day whether needed or not. We agreed that we will build and pay for the interconnection and we will only pay for the water that we need. Mrs. Lapa read **Resolution # 12-50 Authorizing Change Order No. 1 and Extend Contract**

**Interconnection Between LTMUA and BTMUA.** Motion was made by Mr. Sernotti, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

**3. Vermont and Salvatore School and Dormitory**

☐ Resolution Granting Approval for Authority to endorse OCUA application  
Mr. Waxman and Mr. Sernotti did not participate in this discussion. Mr. Theibault was seated as an alternate.

An application was received for a school and dormitory on Vermont Avenue at the intersection of Salvatore Drive. The application changes on a daily basis. In the packet is a letter dated March 22, 2012 and there are handout letters dated March 27, 2012 and March 29, 2012. Mr. Theibault questioned who the builder is. Mr. Flancbaum said the applicant is Bais Medrash of Asbury Park. The registered agent is Rabbi Zev Mintz. The builder is Regency Developer, Abe Auerbach. Mr. Theibault said that he **cannot** participate either in this discussion. Mr. Theibault **rescinds** his seat as alternate. Mrs. Lapa read **Resolution # 12-51 Grant of Commercial/Industrial Approval Bais Medrash of Asbury Park, Inc.** Motion was made by Mrs. Fish, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present, Mr. S. Flancbaum, Mrs. Fish and Senator Singer voted, "**Aye**". **Adopted.**

Mr. Theibault, Mr. Sernotti and Mr. Waxman will now participate again in the discussion.

**4. New Hampshire Avenue Treatment Plant**

☐ Resolution Awarding Change Order #2 for Professional Services Contract

This item will be discussed in the Executive Director's agenda.

**5. Cedar Bridge Raw Water Mains – Project Status**

Mr. Morrill is happy to announce that the pipe work has been completed past the ball park. All the water mains are in place except for the two directional drills. They are now working on connecting the pipes together, so he assumes that the directional drills will be following very shortly. All the pipe work should be done way before the opening game of the Blue Claws on April 12, 2012. Mr. Morrill is pushing to have the restoration and the area reseeded before the opening game.

**6. Installation of Blow-off Hydrants and the Repair of Valves and Boxes – Project Status**

This will be taken care of by Ernst Ernst and Lissenden. It will not be done now because the Authority is too busy to provide the staff that is required. It will be held off till fall time.

**7. Adjustments to Manhole Frames and Covers within Original Leisure Village – Project Status**

This is being taken care of by Ernst Ernst and Lissenden. This will be done now since the Village is now doing a paving job and we would like to have the manhole covers done before.

**8. Leisure Village East Lift Station Repairs – Project Status**

A meeting was held on March 23, 2012 to go over the plans with the engineer. The Authority is ready to issue the plans for bidding; however, the Authority needs input from the designer of the booster pump station of the interconnection since they are so close. If possible we would like to incorporate the requirements for electricity. Hopefully it will be ready for bid for next month.

**VIII. Attorney's Report**

Mr. Smith has a resolution authorizing the Authority to obtain the easements across from Calvary Lighthouse either by purchase or condemnation. Mrs. Lapa read **Resolution # 12-52 Authorizing the Acquisition of Property by Condemnation or Purchase**. Motion was made by Mr. Sernotti, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

Mr. Smith has a draft of the Brick Township MUA Interconnect Service Agreement that Mr. Jerry D'Asti drew up. Mr. Smith would like to meet today with Mr. Morrill and Mr. Flancbaum to go over the clauses and it will be ready for next meeting.

Mr. Waxman questioned the status of the Toyota agreement. Mr. Smith said he wrote a letter two weeks ago to Mr. Shea with copies to all parties. No one had contacted him and Mr. Smith has not heard back from the attorney for Toyota. The letter explained the situation. A complex reimbursement schedule was negotiated and Mr. Smith was not about to renegotiate unless Mr. Shea participated. Mr. Smith still has not heard from Mr. Shea. Mr. Shea had been in contact with Mr. Flancbaum. Mr. Flancbaum said that the Authority has a fully executed Developer's Agreement based on the Authority's terms and conditions. Mr. Waxman suggested that a letter should be sent to all parties stating that the Developer's Agreement is done. Mr. Smith said he will send the letter.

Senator Singer suggested that the Authority have a hearing to have the non-profit reduction in connection fees be further reduced from fifty percent reduction to a seventy five percent reduction. At this time there is an applicant before the Authority for a dormitory with a hook up fee of \$53,000. This seems high for a dormitory for fifty students. Senator Singer asked if there were any objections to the hearing for further

reduction for non-profits. There were none. Senator Singer asked Mr. Smith to prepare for the hearing.

Senator Singer said the Authority is requiring observation manholes. Their purpose is legitimate. It allows the Authority to monitor for chemical dumping in the system. It is essential for all commercial properties and all properties in Industrial Park. Commercial properties include shopping centers. The observation manhole is not necessary for a church, synagogue, school or dormitory. They do not have pollutants. Senator Singer said that every property in Industrial Park, even a school, needs an observation manhole. The reason being that if the school sells and the property reverts back to industrial usage, they do not need to come to the Authority for permission or application. The only exception is if the school is a vocational school it should be required to have an observation manhole. Senator Singer questioned how much an observation manhole costs. Mr. Morrill responded the cost is about \$5,000. Senator Singer said that he would like to have a hearing next month on the Authority's policy of observation manholes.

**IX. Executive Director's Report**

**1. Resolution awarding contract to Van Cleef Engineering Associates to develop conceptual sewer alignments for elimination of the Woodlake Pump Station**

The scope of work is broken out in three phases. Phase one will be the development of different alignments for discussion with the Authority. This will be for gravity sewer. After discussions we will indicate which alignments are worth of further consideration. Total amount for phase one is not to exceed \$5,600. Phase two entail discussions with every entity and property owner that this will affect. During this time potential easement acquisitions, required permitting, and general overall cost estimates will be developed as well. Cost for phase two is not to exceed \$14,000. At that point Van Cleef will collaborate with our Attorney to determine the most reasonable, implementable, and cost effective routes. Upon conclusion of that effort a final decision should be able to be reached by the Authority as to which sewer alignment should be utilized for the project.

Phase three will be an assessment of the potential payback period required for the elimination of the pump station based on the alternative under consideration as determined by phase two. Cost for this phase is not to exceed \$5,000. The total cost amount of contract to Van Cleef Associates not to exceed \$24,600. Senator Singer said this pump station had a major explosion and the Authority is looking forward to having this gravity sanitary sewer. Mr. Morrill said the cost of the explosion at first was \$36,000 before it was over, the cost was \$52,000. Then it had to be rebuilt and that was over \$100,000. The Authority received some money back from insurance. The last time this was investigated it was projected

that by paying for the sewer line, the Authority would save \$10,000 per year in maintenance, labor etc. Mrs. Lapa read **Resolution # 12-53 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11- 4.1, et seq.** Motion was made by Mr. Sernotti, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

**2. Cell antenna lease purchase agreement**

Mr. Flancbaum negotiated with the potential purchaser for the cell antenna lease a final price of \$725,000. The contract is currently under the Authority's attorney review. Senator Singer asked if it can be accepted and does not need to go out to bid. Mr. Smith responded that he has to discuss this with Mr. Flancbaum.

**3. New Jersey Business and Industry Association**

This is a state wide organization. The cost of membership is \$185.00 per year. They are a business advocate. One of the benefits of membership include the opportunity for the Authority employees to receive auto insurance through NJ Manufacturers whose rates are usually on an average twenty percent less than other insurers. The Authority can save on Fed Ex shipping around twenty to thirty percent. The commissioners agreed to join.

**4. Summer Intern- Operations**

Mr. Flancbaum said the Authority would like to hire a summer intern. The intern would help with mowing the lawn, locating curb stops, digging and operating curb stops. The pay would be around ten to eleven dollars per hour. Mr. Flancbaum would prefer to hire a high school senior or a local college student. Senator Singer said that the intern should be at least eighteen years old and also a Lakewood resident. Mr. Flancbaum said he plans on contacting Lakewood High School.

**5. New Hampshire Avenue Treatment Plant - Hatch Mott MacDonald Change Order**

Hatch Mott MacDonald put in a request for an increase in the inspection budget for \$250,000. The request is based on several factors that changed throughout the project. Mr. Flancbaum said he does not have a formal presentation from them. He met with them last week. Mr. Flancbaum said he sent them a letter stating that he is rejecting this increase request unless it can be backed up and show justification. Mr. Waxman said to tell them that this gives them bad credibility with regard to future projects. Senator Singer said they are claiming a tremendous amount of additional work hours based on the delay in the construction of the project. Senator Singer said his problem is who authorized them to put in the additional hours. They should have come back to the Authority saying that a lot of more hours are needed weekly, how should we

proceed. Mr. Flancbaum said they are claiming from 800 to 1200 additional hours. Mr. Smith said the Authority met with Hatch Mott MacDonald for one and one half hours. Mr. Smith said he presented all these issues to them and informed them that they have to come up with much better documentation and justification than they had. They said they will go back to the drawing board to get it done. Senator Singer said he is concerned why this happened. Mr. Waxman said it is time to find other companies, this is happening way too often. Senator Singer said that he is not defending them but in large jobs like this, it does happen. Although, they should have sent a letter to the Authority when they saw the additional hours started being needed to discuss how to go about it. Mr. Smith said that this was not a bid contract. The amount of the contract was merely an estimate to begin with. It was not a fixed amount.

**6. Closed Session – Personnel and Contract Negotiations – will take place later**

**X. Instrumentation/IT Department Report**

Mr. Farina gave a brief overview of department activities over the last month.

The department has been concentrating on the New Hampshire Avenue SCADA system. We have also been addressing any emergencies that occur elsewhere out of that scope of work facility wide.

The work plan lies solely with programming and implementation of the New Hampshire Avenue SCADA project. The Operations Building programming has been completed and some start up testing with the exceptions of the Chlorinator and the Aeration Tower. This is due to the equipment having not been installed and/or wired yet. We are now pushing our efforts towards the Filter Building and are working closely with the contractors in trying to find and correct any equipment problems while it is relatively easy to do so during the installation phase.

**XI. Commissioners' Report**

**XII. MEETING OPEN TO THE PUBLIC**

There was no response from the public.

**XIII. MEETING CLOSED TO THE PUBLIC**

**XIV. MOTION TO APPROVE THE OPERATING VOUCHERS**

A **motion** was made by Mr. Sernotti and seconded by Mrs. Fish to approve the Operating Vouchers in the amended amount of \$1,424,186.74. On a **Roll Call**, all members present voted, "**Yes**".  
**Motion passed.**



**XV. CLOSED SESSION**

A **motion** was made by Mrs. Fish and seconded by Mr. Waxman to go into closed session at 10:45 A.M. On a **voice vote**, all members present voted, "**Aye**".

**XVI. OPEN SESSION**

Open session started at 10:50 A.M. Contract negotiations were discussed. The Authority will be going out to bid for the purchase of leases on the towers. It will be advertised. Mr. Smith will prepare the bid documents. A personnel item was discussed and the Executive Director will take action.

**XVII. ADJOURNMENT**

A **motion** was made by Mr. Waxman, seconded by Mr. Sernotti to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 10:51 A.M.

Respectfully submitted,

Nancy Lapa,  
Secretary, LTMUA

# LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

390 NEW HAMPSHIRE AVENUE, LAKEWOOD, NEW JERSEY 08701  
PHONE (732) 363-4422 | FAX: (732) 905-0712 | [WWW.LAKEWOODMUA.COM](http://WWW.LAKEWOODMUA.COM)



## THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

### Regular Meeting Minutes

May 1, 2012

- I. Senator Singer opened the meeting at 10:07 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 10, 2012 and the Tri Town News on February 16, 2012.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**  
On the roll call the following Commissioners were present: Mr. Theibault, Mr. S. Flancbaum, Mr. Sernotti, Mr. Coles, Mr. Waxman, Mrs. Fish and Senator Singer. The following professionals were present: Mr. Norman Smith, Esq. and Mr. Robert Elliot, Auditor. Mr. Justin Flancbaum, Executive Director, Mr. Paul Morrill, Engineer and Mrs. Nancy Lapa, Secretary were in attendance.
- V. **Water Connection Fee and Sewer Connection Fee Hearings**  
The Water and Sewer Connection Fee Hearings that were advertised in the Asbury Park Press on March 26, 2012 and the Tri Town News on March 22, 2012 were rescheduled. A motion to reschedule the Water Connection Fee Hearing to June 5, 2012 at 10:00 A.M. was made by Mr. Coles and seconded by Mr. Sernotti. On a **voice vote**, all members present voted "**Aye**". **Motion carried.** A motion to reschedule the Sewer Connection Fee Hearing to June 5, 2012 at 10:00 A.M. was made by Mr.

Waxman and seconded by Mr. Coles. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**

#### **VI. Minutes**

Mr. S. Flancbaum was seated as an alternate for this vote. A motion to approve the minutes of the Regular Meeting on March 29, 2012, was made by Mr. Sernotti and seconded by Mrs. Fish. On a **Roll Call**, Mr. S. Flancbaum, Mr. Sernotti, Mr. Waxman, Mrs. Fish and Senator Singer voted "**Yes**". Mr. Coles abstained since he did not attend the last month's meeting. **Motion carried.** Mr. S. Flancbaum is no longer seated as an alternate.

#### **VII. Accountant's Report**

Mr. Elliot reviewed the Audit report from the previous year and the Authority is in good financial shape.

#### **VIII. Engineer's Report**

Mr. Morrill asked everyone to refer to the agenda on the gray pages of the packet.

##### **1. Repair and Replacement of Sanitary Sewer on Redondo Lane**

☐Resolution Awarding Change Order #2 Professional Services Contract  
In the packet on page one is a letter from Ernst Ernst and Lissenden. The Authority is expanding their contract. Construction and inspection services were not awarded at the time of the award of the design. Mr. Smith said this is a Request For Quote (RFQ) contract. The Authority can simply give another contract without a change order. Mrs. Lapa read **Resolution # 12-54 Authorizing Change Order #2 Redondo Lane Sanitary Sewer Repair and Replacement.** Motion was made by Mr. Coles, seconded by Mr. Sernotti. On **voice vote**, all members present voted, "**Aye**". **Adopted.**

##### **2. Beacon Hill Tank Roadway Drainage Improvements**

☐Resolution Awarding Change Order #1 Professional Services Contract  
This is also expanding a contract to include construction observation. Mrs. Lapa read **Resolution # 12-55 Authorizing Change Order #1 and Extend Contract Construction Observation Services for the Beacon Hill Tank Roadway Drainage Improvements.** Motion was made by Mr. Sernotti, seconded by Mr. Coles. On **voice vote**, all members present voted, "**Aye**". **Adopted.**

##### **3. Adjustments to Manhole Frames and Covers within Original Leisure Village**

☐Resolution Awarding Contract  
☐Resolution Awarding Change Order #1 Professional Services Contract  
Mr. Morrill said that bids were received. On April 19, 2012 the Authority received a formal protest from DSC Construction regarding the award of

contract to the lowest bidder. Several letters associated with this protest were handed out. The latest letter was received this morning. The letter is from the Authority's attorney indicating that he believes the protest was frivolous and that the bid can be awarded. Mr. Smith explained that there were thirteen bidders. DSC Construction and one other bidder misread the form of the bid and only put down the unit price for each unit and totaled it up. DSC Construction put \$20,000 as their total bid. That is not for the project advertised; it is for one unit of each item. At the bid opening, as per the instruction of Mr. Smith, Mr. Morrill and the engineer from Ernst Ernst and Lissenden, Ms. Romano, in the presence of all the bidders, recalculated the bid by multiplying each unit price by the correct number of units and coming up with a total. That changed the bid from \$20,000 to \$63,000 making it the third lowest bidder, not the lowest bidder. The Authority received a protest a few days later from Mr. Edward Bezdecki, the attorney for DSC Construction. Mr. Bezdecki's position is that the bid was \$20,000 and because the form did not have a title under each line saying unit number, although it did have columns for it, the actual bid that the Authority was looking for was for one unit of each item. This is a totally frivolous argument. The number of units was set forth in multiple places in the bid document. It is impossible to conclude that the contract did not contain the multiple units. Mr. Bezdecki said that the contract clearly did not contain the multiple units because of the way the bidding form was drafted. Therefore, their client won the contract at \$20,000 for one manhole, one of each unit. Mr. Smith said if they want to consider their bid as \$20,000, it is not conforming and the Authority can reject the bid. If they want their bid to be \$63,000, it is not the low bidder and does not get the award. DSC Construction said they would like their bid to be \$63,000. Mr. Smith said further, the bid bond is ten percent of the bid amount which was \$2,000. The bid bond is inadequate with the \$63,000 bid. The bid bond is a mandatory item which cannot be corrected if it is incorrect. There are two reasons for rejecting their bid. One reason is that the bid was nonconforming and second, the bid bond was inadequate. Mr. Bezdecki is trying to get the Authority to reject and rebid so his client can get a second chance. Mr. Smith he does not think that the Authority needs to. He spoke with Ms. Romano, Mr. Morrill, Mr. Ponsi and Mr. Flancbaum and they feel that it should be awarded to the lowest bidder. However, the commissioners have a right to reject all the bids and to re-advertise. The commissioners were asking questions to help them decide whether it would be more prudent to award to lowest bidder or reject bids and re-advertise. Mr. Morrill said that there is a time factor involved. The Authority is trying to get the manholes repaired before Original Leisure Village does their paving. If the bid is delayed there is a chance that the work will be done after they finished the paving and we would have to tear up their brand new pavement. It was decided to award the contract to the lowest bidder. Mrs. Lapa read **Resolution # 12-56 Awarding Contract to R. Moslowski Excavating Inc. for Original**

**Leisure Village Adjustments to Manhole Frames and Covers.** Motion was made by Mr. Coles, seconded by Mr. Sernotti. On a **Roll Call**, all members present voted, **"Yes"**. **Adopted.** Mr. Morrill said the second portion of this item on the agenda is to award a professional services contract for the construction observation of that work. Mrs. Lapa read **Resolution # 12-57 Authorizing Change Order No. 1 and Extend Contract Construction Observation Services for the Replacement of Sanitary Sewer Manhole Frames and Covers Within Original Leisure Village.** Motion was made by Mr. Sernotti, seconded by Mr. Coles. On **voice vote**, all members present voted, **"Aye"**. **Adopted.**

**4. Leisure Village East Lift Station Repairs**

□Resolution Awarding Change Order #1 Professional Services Contract  
This Change Order is for GTS Engineering. In the packet on page five is an estimate detailing the projected engineering costs. They are requesting an additional \$14,920 for the design of the lift station. The major part of the request is due to the Brick Interconnection. The Authority is trying to coordinate all the requirements for the Brick Interconnection along with the Lift Station. The generator needs to be upgraded. It was thought that the Authority would be able to re-use some of the equipment. Because of the way it was originally built, the Authority has to expand some of the equipment. This was not anticipated when the Authority asked for the update of the Lift Station. Mr. Morrill recommends awarding the Change Order. Mrs. Lapa read **Resolution # 12-58 Authorizing Change Order No. 1 and Extend Contract Leisure Village East Lift Station Repairs.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **voice vote**, all members present voted, **"Aye"**. **Adopted.**

**5. Vermont and Salvatore School And Dormitory – Project Status**

Mr. Waxman and Mr. Sernotti did not participate in this discussion. In the packet starting on page eight through twenty one are letters relating to this project. This project was fast tracked to get the school open. The Authority did an exemplary job on getting the school opened and the meters installed. A Developer's Agreement still needs to be entered into. The school is waiting for the Authority to pass the revised connection fees. They still have a number of fees that have to be paid to the Authority.

**6. New Hampshire Avenue Treatment Plant – Project Status**

Mr. Morrill estimates that that by approximately May 15, 2012 water will be able to put out of the treatment plant. It will be in a manual mode, not automatic mode. It will hopefully be on automatic mode around six weeks after then. It will require additional man hours. This is similar to the situation at Shorrock Street. The electrical equipment has not all been installed and this held up the programmers. The supplier for the panels was slow in supplying them. Senator Singer asked if the Authority should

get the contractors take responsibility for it. Why should the Authority have to pay more money because they are late? Is it not part of their contract that they have to be on time? Mr. Flancbaum said that once the water is being put out into the system, we can see how many more hours are involved in manually operating the plant as opposed to the plant running automatically and present it to the contractor. Senator Singer asked why the Authority didn't know the panels were going to be late a month ago. Mr. Morrill said we did receive documents that the panels were coming in from the supplier. Mr. Morrill said he kept on getting notices with the date that it will be received and then we would get another notice with new dates. They just kept moving the dates. The electricians could not wire the panels; therefore the IT Department could not program the panels. We are working hard to correct the issues and get it online. It has been time consuming for all parties.

**7. Cedar Bridge Raw Water Mains – Project Status**

Mr. Morrill explained that the pipes are purple so anyone that connects to it will not mistake it for a potable water line. It is a raw water main and the water is non-potable. People should not drink from it, even though it probably is safe to drink. You would not want to drink from it because it was not treated. Purple pipes are typically used for reclaimed water, but not so in this case. Mr. Flancbaum said we did receive some questions regarding the color. Mr. Morrill said the restoration work along the roadways by Pine Street, New Hampshire and between Pine Street and Avenue of Americas was completed in April. In May we anticipate completing the directional drill. The drilling under the County roadway and under New Hampshire, in order to get to Well No. 5, was not done yet. It is anticipated that in late May the fiber optic lines will be installed in the conduit.

**8. Meter Replacement Phase 2 – Project Status**

On April 20, 2012 Inline Services started replacing meters. They have installed to date approximately two hundred to three hundred meters. Things are moving along. There have been very few unhappy customers. Mr. Waxman asked why these customers were unhappy. Mr. Morrill said that these customers think the water bills will go up, the electric bills will go up etc. Senator Singer asked how many of the nonoperational meters still need to be replaced. Mr. Flancbaum said they will be taken care of within the next six weeks. Senator Singer asked Mr. Flancbaum to prepare for the next meeting the status of nonoperational meters.

**9. Route 70 and Vermont Retail and Wawa – Project Status**

Work is being done on this project. On April 13, 2012 they had a jack and bore under Route 70 for the water main. On April 17, 2012 they had a jack and bore for the sanitary sewer under Route 70. Now they have to extend it and connect it to the Authority's lines.

**10. Lakewood Toyota Dealership – Project Status**

On February 28, 2012 the Authority received a copy of the Developer's Agreement. The offsite sanitary sewer contribution of \$5,000 was received on February 28, 2012. On April 26, 2012 a preconstruction meeting was held. They anticipate starting work in the next three to four weeks. Mr. Smith said the Developer's Agreement that was signed was the one he drafted.

**IX. Attorney's Report**

Mr. Smith commented earlier.

**X. Executive Director's Report**

**1. Qualified Purchasing Agent**

Mr. Adam Ponsi has completed all perquisite courses to meet the requirements of Qualified Purchasing Agent. He is now awaiting the exam. The State has allowed that in the meantime we can pass a resolution designating him as acting QPA. This will allow the Authority to increase the bid threshold from \$17,500 to \$26,000. Upon his successful completion of the exam, the Authority will be able to further increase the threshold to \$36,000. Senator Singer said that Ms. Robyn Gaynor is also in the process of taking the courses. Ms. Gaynor will be the Authority's Purchasing Agent and Mr. Ponsi will be the backup. The Township does not have a registered Purchasing Agent and this is a problem for them. The Township would like to buy that service from the Authority. An intergovernmental service agreement may be needed. Mr. Flancbaum said he will reach out to the Township Manager, Mr. Michael Muscillo. Mr. Coles said he will tell Mr. Muscillo to expect Mr. Flancbaum's call. Mr. Smith wanted to explain the essential elements of the resolution. The Authority has to affirmatively resolve to raise the bid threshold to \$26,000. This resolution has to be filed immediately with the Director of Division of Local Government Services. The resolution has to be accompanied by an affidavit of the qualified purchasing agent, which the Authority has. Mr. Ponsi has to sign that as acting purchasing agent. Mr. Ponsi will be appointed as acting until he takes the test. Senator Singer said that there will be a \$5,000 increase in salary effective today for Mr. Ponsi. Mr. Ponsi was thanked and congratulated on becoming an acting Qualified Purchasing Agent. Mrs. Lapa read **Resolution # 12-59 Appointing Adam Ponsi as Acting Qualified Purchasing Agent Pursuant to N.J.A.C. 5:34-5.4**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **Roll Call**, all members present voted, **"Yes"**. **Adopted**.

**2. NJ SEM (New Jersey Sustainable Energy Joint Meeting)**

The Authority joined the NJ SEM a couple of years ago. NJ SEM is a conglomerate of different municipalities and authorities statewide. Twice a year they go out for reverse auctions for electric and gas supply. The

Authority was not part of the electric auction because the Authority was part of the New Jersey Cooperative. The Cooperative was dissolved at the end of last year. This year the Authority took a look at NJ SEM strike price for this year's reverse auction for electric supply, which was held last month. It was decided that it would be a good idea to be part of the auction this year. As it turned out, the strike price was met and the savings for electric will be around twenty five to thirty percent. The savings should be around tens of thousands of dollars. Senator Singer questioned about the gas supply. Mr. Flancbaum said the bid for gas supply will be in early fall, before the winter. He will do the same for the gas supply then.

**3. NJUA JIF; Employment Practices Liability Deductible**

In previous years the Authority have successfully met all criteria and was in full compliance with the JIF's Best Employment Practices. The Authority again has successfully met all criteria. Normally in the event of a claim of the deductible would be \$100,000 and copay would be up to twenty percent of the first \$2,000,000 of the claim. However, since the Authority met all criteria, the Authority is now eligible for a special deductible of \$20,000 per occurrence and the copay would be only twenty percent of the first \$250,000.

**4. NJUA JIF; Resolution For Policy Renewal**

Mrs. Lapa read **Resolution # 12-60 Resolution for Renewal of Membership in the New Jersey Utility Authorities Joint Insurance Fund**. Motion was made by Mr. Coles, seconded by Mr. Sernotti. On a **Roll Call**, all members present voted, **"Yes"**. **Adopted**.

**5. Closed Session- Personnel Benefits – Will take place later.**

**XI. Instrumentation/IT Department Report**

There is no report this meeting.

**XII. Commissioners' Report**

**XIII. MEETING OPEN TO THE PUBLIC**

There was no response from the public.

**XIV. MEETING CLOSED TO THE PUBLIC**

**XV. MOTION TO APPROVE THE OPERATING VOUCHERS**

A **motion** was made by Mr. Coles and seconded by Mr. Sernotti to approve the Operating Vouchers in the amended amount of \$1,997,313.72. On a **Voice Vote**, all members present voted, **"Aye"**. **Motion passed**.



**XVI. CLOSED SESSION**

A **motion** was made by Mr. Waxman and seconded by Mr. Sernotti to go into closed session at 10:30 A.M to discuss pending litigation and personnel. On a **voice vote**, all members present voted, "**Aye**".

**XVII. OPEN SESSION**

A **motion** was made by Mr. Waxman and seconded by Mrs. Fish to go back into open session at 10:50 A.M. On a **voice vote**, all members present voted, "**Aye**".

Pending litigation and personnel were discussed in closed session.

**XVIII. 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 10:51 A.M.

Respectfully submitted,

Nancy Lapa,  
Secretary, LTMUA

# LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

390 NEW HAMPSHIRE AVENUE, LAKEWOOD, NEW JERSEY 08701  
PHONE (732) 363-4422 | FAX: (732) 905-0712 | WWW.LAKEWOODMUA.COM



## THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

### Regular Meeting Minutes

June 5, 2012

- I. Senator Singer opened the meeting at 10:05 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 10, 2012 and the Tri Town News on February 16, 2012.
- 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. Mr. S. Flancbaum was seated as an alternate. The following professionals were present: Mr. Norman Smith, Esq. and Mr. Gerwin Bauer, Jr., Auditor. Mr. Justin Flancbaum, Executive Director, Mr. Paul Morrill, Engineer and Mrs. Nancy Lapa, Secretary were in attendance.
- V. **Minutes**  
A motion to approve the minutes of the Regular Meeting on May 1, 2012, was made by Mr. Waxman and seconded by Mr. Coles. On a **voice vote**, all members present voted, "**Aye**". **Motion carried.**
- VI. **Accountant's Report**  
Mr. Bauer said that the Authority is on target with the budgeting for revenues for the Operating expenses. The Authority remains in very strong financial condition for the capital projects that is being worked on.
- VII. **Engineer's Report**
  1. **Beacon Hill Tank Roadway Drainage Improvements**
    - ☐ Resolution Awarding Change Order #1

There is a letter in the packet on page one identifying substantial completion of the project. There is approximately five percent of the project that needs to be done. The project is basically completed. There is a letter approving a payment and detailing a change order. There is a change order in the amount of \$1,200 on page three. The Authority asked the contractor to provide a trench for a new electrical service. Right before the project started we found that the old electrical service that we attempted to use was failing. The electrical line will cost \$7,600. For around \$9,000 there is new electrical service. Senator Singer said that is a good deal. Mrs. Lapa read **Resolution # 12-63 Authorizing Change Order #1 and Extend Contract for the Beacon Hill Tank Roadway Drainage Improvements**. Motion was made by Mr. Coles, seconded by Mr. Waxman. On **roll call**, all members present voted, "Yes". **Adopted**.

## 2. Airport Road Water Storage Tank

- ☐ Resolution Awarding Change Order #4 (Credit to close out project)
- ☐ Resolution Accepting Maintenance Bond and Release Retainage

In the packet on page five is a change order with a credit in the amount of \$50,212. This is for work that was not performed on the tank, antenna brackets, select fill and permitting that was found to be not necessary. Mrs. Lapa read **Resolution # 12-64 Authorizing Change Order #4 Airport Road Storage Tank**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On **voice vote**, all members present voted, "Aye". **Adopted**. There is a letter in the packet for a resolution to accept the Maintenance Bond and Release the Retainage. In the packet it states that the release will be in the amount of \$31,000 but the Authority is releasing only \$29,000 of the retainage because of additional work the Authority had to do since the contractor would not do it. We are back charging the contractor for that work. Mr. Waxman asked if the Authority can get him to sign a release that he agrees to this amount before the money is given to him. Mr. Flancbaum said he spoke to the contractor and he said he will not do it. He said he will come in to talk about the last \$1500. Senator Singer said that is okay. Mrs. Lapa read **Resolution # 12-65 Releasing Retainage for Airport Road Water Storage Tank**. Motion was made by Mr. Waxman, seconded by Mr. Sernotti. On **roll call**, all members present voted, "Yes". **Adopted**.

Mr. Theibault arrived at 10:09 A.M.

## 3. Meter Replacement Phase 1

- ☐ Resolution Awarding Change Order #3 (Credit to close out project)
- ☐ Resolution Accepting Maintenance Bond and Release Retainage

This is the old contract with National Metering Services. The Authority had a contract with them to install approximately 120 meters. They installed about 100 meters. They did not come back to replace the last twenty. The Authority asked them for a letter to terminate the contract. There is a letter in the packet. Mr. Flancbaum explained that the first hundred are easy. It is hard to schedule the replacement for the last twenty. They do not want to come down for just one or

two appointments at a time. Mr. Flancbaum thought that it would be best for the Authority to do the replacement themselves and get credit for the last twenty meters. Mr. Flancbaum said that the same will probably happen with the last bit of meter replacements with the new contractor. Mr. Morrill said that he spoke with Sensus about this. This happens all the time with meter replacements. Mr. Morrill wanted to mention that the only meters that will not be replaced are the vacant properties. Senator Singer said that there are only a few companies that replace meters and this seems the way they work. The change order is only for accounting purposes and to credit the account for work they did not do. Senator Singer said that the properties that are vacant should get a shut off notice. Mr. Morrill said that they plan on doing that and then turning off the water so when someone wants to live there, they have to come to the Authority. Mrs. Lapa read **Resolution # 12-66 Authorizing Change Order #3 Meter Replacement Phase 1**. Motion was made by Mr. Sernotti, seconded by Mr. Coles. On **voice vote**, all members present voted, "**Aye**". **Adopted**. The next resolution is to accept the maintenance guarantee and release the retainage. Mr. Morrill has a letter from the Authority's attorney approving the maintenance guarantee and a memo from engineering approving the amount and term of the guarantee. Mrs. Lapa read **Resolution # 12-67 Releasing Retainage for Meter Replacement Phase 1**. Motion was made by Mr. Coles, seconded by Mr. Sernotti. On **voice vote**, all members present voted, "**Aye**". **Adopted**.

#### **4. Repair and Replacement of Sanitary Sewer on Redondo Lane – Project Status**

##### ☐ Resolution Awarding Change Order #1

Senator Singer explained that this project did not progress as expected for a number of reasons. There was a problem with wetness. The Authority and the engineer did not understand the depth of the problem. The bid came in correct but it could not be installed the way originally thought. It created a situation where pilings and other items would be needed. This caused a \$90,000 overage. The project is being halted at the end of this series. A soils engineer is being brought in to look at it and we are waiting for his report. This project is extremely disruptive to the people living in that area. The first section was completed. The Authority will have to go out for bid for the remainder because it far exceeds the original bid and it cannot continue to be done on change orders. Mr. Flancbaum said that the material had to be changed from PVC to ductile iron because the PVC would not lay straight. The ductile iron pipe had to be installed on top on cross brace pilings. Mr. Theibault asked if this was a result of the amount of rain that was had. Senator Singer said it has nothing to do with the rain. This was a problem that was known but did not know the extent until it was opened. If the Authority would have spent a lot of money on engineering we would have known the extent of the problem. That would have required them to open it up and do borings. It was thought that it would not be necessary to do it. Mr. Morrill said that there were several sags in the old pipe and they saw that water was coming in and infiltrating. The infiltration was going to be corrected. The extent of the poor condition of the soil was not known. The Authority has had this in several places before. You open it up and de-water. We inform the

contractor that it was going to be a wet job; the water will have to be controlled during the project. Well points were put on both sides of the trench, opened it up and laid down two sections of pipe. As he pulled the box to lay the third section, the entire trench filled with water, even with the well points. He tried to put rip rap underneath to hold the pipes up. The rip rap sank directly into the soil underneath. He then tried putting five feet of stone in filter fabric underneath. When they walked on it, it was like walking on a water bed. At that point Ernst Ernst and Lissenden, the engineer, was contacted by the contractor. The engineer said that the pipes had to be put on piles and ductile iron pipes will have to be used. The reason for this is because the pipes will be supported only every six feet. The entire project was estimated to take four weeks. It took four weeks to put in two hundred feet of the fourteen hundred feet of pipe. There were four water main breaks because the soils just kept falling out from underneath the water main. The water main had to be replaced with ductile iron and it also had to be braced. The people that lived in the proximity of the project were very nice about. Mr. Flancbaum said that some driveways were blocked for four weeks. The contractor was also very good to the people. People called the Authority to say how nice and courteous the contractor has been. Senator Singer said that there had to be twenty four hour protection out there because the trenches could not be closed up every night. The Authority needs to re-think how to install the next twelve hundred feet of pipe. Some pictures were shown on the wall screen to show the project and its problems. Mrs. Lapa read **Resolution # 12-68 Authorizing Change Order #1 and Extend Contract Redondo Lane Sanitary Sewer Improvements**. Motion was made by Mr. Coles, seconded by Mr. Sernotti. On **roll call**, all members present voted, **"Yes"**. **Adopted**. Mr. Morrill said he has additional photos of the Redondo Lane project if anyone would like to look at them.

**5. Adjustments to Manhole Frames and Covers within Original Leisure Village**  
Project Status

The Authority awarded a contract to Moslowski for \$41,680 to replace thirty six manholes. The village is paving in the area and ten additional manholes were found in the paving area. Three quotes were received. The contract was awarded to the paving contractor in the amount of \$8,000 to replace the ten manholes.

**6. New Hampshire Avenue Treatment Plant – Project Status**

Mr. Morrill is happy to say that on May 29<sup>th</sup> the operation of the treatment plant started. It pumps 1500 gallons per minute. It operates very well. It is being operated manually and will be operating so for the next three months.

**7. Cedar Bridge Raw Water Mains – Project Status**

Everything is completed except for the temporary restoration and connections to Well No. 4 and Well No. 5. Reforestation will be done in the fall.

## **8. Meter Replacement Phase 2 – Project Status**

This phase will consist of 6500 meter replacements. A minor change order will be coming through on this. This is needed because some of the meters are so old they actually had 120 volt power packs that had a 24 volt connection to the meter. Sensus does not remember these, they are so old. Sensus recommends disconnecting the power to the transformer. The meter replacement contractor cannot do it. It requires an electrician. The Authority will hire an electrician to take the transformers out and terminate that electrical service. Senator Singer said to look to hire a local electrician. Mr. Morrill said he will get three quotes from local electricians. As of May, approximately 1,450 of the 6,500 meters were replaced. 300 of those meters were from the original 900 meters that were not able to be read. In the next eight weeks it is expected to have at least ninety percent of the meters that could not be read to be replaced. Senator Singer questioned if the meter reading are better. Mr. Flancbaum said that we are not sure yet. 1400 meters were replaced to date. The Authority has around 2000 meters on the fixed based system. More data is needed. More time is needed to be able to have more reads and to make a proper comparison. Mr. Morrill said that as part of the contract, the contractor is going to take the old meters and test them. They will give the Authority a report with how accurate they were. They are waiting to test the meters until they have a lot more meters.

## **VIII. Attorney's Report**

Mr. Smith will comment in closed session (regarding cell tower assignment meeting).

## **IX. Executive Director's Report**

### **1. Summer 2011 Storm Damage - Insurance Reimbursement**

The Authority was hit by a major storm last July on a Friday night and sustained significant electrical damage. Many overtime hours were spent on restoring SCADA, telephone service, and having various communications to be up and running by Monday morning. A claim was submitted to the JIF at the end of the summer for material, labor and overtime. We stayed on top of it to make sure the claim was reimbursed. A few weeks ago a check in the amount of \$11,600.22 was received. This is the total amount spent minus the \$1,000 deductible.

### **2. Resolution Awarding Contract to Dynamic Testing Services for the purpose of onsite drug and alcohol testing for Authority Personnel deemed safe sensitive**

The Authority adopted a safety sensitive drug testing policy a few months ago. The company we have selected was recommended by our labor counsel. Dynamic Testing is being used by Ocean County, Jackson MUA and over 100 municipalities. They seem reputable. The fees are as follows - \$55 per specimen for five panel urine drug test and \$35 per breath alcohol test. If they have to come after hours, there is a flat rate of \$200 plus the cost of the test. Mrs. Lapa read **Resolution # 12-69 Awarding Contract For Onsite Drug And**

**Alcohol Testing Dynamic Testing Service.** Motion was made by Mr. Waxman, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, **"Aye"**. **Adopted.**

**3. Resolution Awarding Contract to Caltech Systems**

Bob Calabrese of Caltech systems has built the SCADA system on Shorrock Street and has been intimately involved with designing, building and programming our SCADA system at our new treatment facility and our remote sites as well to ensure that the new SCADA will be fully integratable with our existing SCADA. The IT Department has been working with Mr. Calabrese and will ultimately assume his responsibilities on a full time basis. However we feel that we need to retain Mr. Calabrese's services for one more year. His current contract expires on September 15, 2012. This contract will start when his current contract ends and will expire on September 15, 2013. The amount of the contract will be the same that he has been charging for the last couple of years, \$110,000 per year. Mr. Waxman thought that there would be less work needed from him at this point. Mr. Flancbaum said that the bulk of the programming for the new treatment facility is complete until a point where everything is up on the screen. For the next few months the treatment plant will be run on manual mode. Until the nuances are figured out and the treatment plant is automated and even after that, Mr. Calabrese is needed. Now that all the remote sites are being tied in to the SCADA as well, it has to be fully integrated. Mrs. Lapa read **Resolution # 12-70 Awarding Contract Without Public Bidding For the Support and Maintenance Of Proprietary Computer Hard Drive and Software.** Motion was made by Mr. Waxman, seconded by Mr. Sernotti. On a **roll call**, all members present voted, **"Yes"**. **Adopted.**

**4. Cell Antennae Lease Easement Purchase Bid Results** – Will be discussed in closed session

**5. Well #5 Update**

We will be in front of the Planning Board on June 12<sup>th</sup> for site plan approval of the land swap between the Authority and 100 Syracuse Court, LLC. Mr. Flancbaum will be attending on behalf of the Authority. The plans, specs, and permit application will be completed and sent to the DEP. It will be submitted in one package. This will allow the relocation of Well No. 5 to move along.

**6. Summer Intern - Operations Department**

With the help of Mr. Sernotti, Mr. Flancbaum contacted Toni Ponti of Lakewood High School and we were able to find a summer intern from right here in Lakewood to work in the Operations Department. He is eighteen years old and seems very happy to have the opportunity to work here. He will be paid \$10 per hour. He will start in a couple of weeks.

**7. Utility Audit**

The Authority was contacted by a company called Commercial Utility Consultants. They have been in business since 1975. This company, at no charge, does a utility analysis. They analyze your most recent utility bill. You give them permission to contact the utility company directly and they see if they can save you money on your bills. They are not a supply broker. If they see that you can save money, you keep fifty percent of the savings and this company takes fifty percent of the savings for five years. There is no upfront charge. After they give you a recommendation, there is no obligation to listen to it. A commissioner questioned if the fifty percent is negotiable. Mr. Flancbaum said everything is negotiable and he would speak to them about. There are other companies that do this, but he does not know about them. Senator Singer said to call around, call Bob Fisher, and find out if there are other companies that do this. If there is another company that does it and they are reputable, perhaps they can offer better than fifty fifty. Mr. Flancbaum said he will look into it.

- 8. Closed Session-** Safety Coordinator and Sick day payouts  
Will take place later in Closed Session.

**X. Instrumentation/IT Department Report**

Mr. Farina reported that all programming for the New Hampshire Water Treatment facility is complete in order to manually run the operation. The next effort will be to focus on performing all the programming necessary to enable the facility to operate automatically. This will allow the plant to operate after hours and on weekends unmanned. We are maintaining an ongoing punch list in order to address any equipment that is missing, not functioning to specification or not supplied as per specification. This method is proving to be more successful than having to wait until the end of a particular vendor's job and then address many items, in which some are sure to get missed. Senator Singer asked how the Authority is doing staff wise with the IT Department. Mr. Flancbaum said the Authority is okay now. The new Treatment Plant is going on line. To get a new employee trained at this time would be more work than help. Senator Singer said that in the future a third employee should be hired for the IT Department.

**XI. Commissioners' Report**

Mr. Sernotti said that he will not be able to attend the July and August meeting. Senator Singer asked Mr. Smith if a commissioner cannot attend the meeting personally can they call in and participate in the meeting. The commissioner would keep their phone on mute so any background noise would not be heard. Mr. Smith said there are two cases in New Jersey and he researched them. There is no clear authority for a Utilities Authority for a call in. Mr. Smith said it seems to him that a quorum cannot be made using a commissioner that is absent. Senator Singer said then we will not do it. There are alternate commissioners that will be present.

**XII. MEETING OPEN TO THE PUBLIC**

There was no response from the public.



Mr. McGregor said he wanted to comment on the previous discussion regarding the new meters making the billing more accurate. There are four cycles of billing. There is a billing sent out every month. Over the quarter every customer receives one bill. The metering project was started at the end of April. We have to wait until we have all four cycles back in until we can see the results of the new metering system. That will not be till close to the end of the year.

**XIII. MEETING CLOSED TO THE PUBLIC**

**XIV. MOTION TO APPROVE THE OPERATING VOUCHERS**

A **motion** was made by Mr. Coles and seconded by Mr. Sernotti to approve the amended Operating Vouchers in the amended amount of \$1,862,800.66. On a **roll call**, all members present voted, "**Yes**". **Motion passed.**

**XV. CLOSED SESSION**

A **motion** was made by Mr. Coles and seconded by Mr. Sernotti to go into closed session at 10:38 A.M to discuss several personnel items - Safety Coordinator and sick day payouts also to discuss contract negotiations. On a **voice vote**, all members present voted, "**Aye**".

**XVI. OPEN SESSION**

A **motion** was made by Mr. Coles and seconded by Mr. Sernotti to go back into open session at 11:00 A.M. On a **voice vote**, all members present voted, "**Aye**". Contract negotiations and personnel were discussed in closed session. When it becomes operational the information will be made public.

**XVII. ADJOURNMENT**

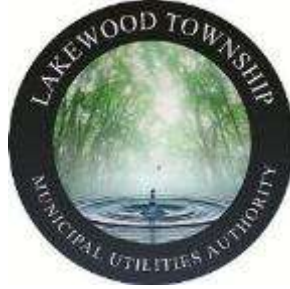
A **motion** was made by Mr. Sernotti, seconded by Mr. Coles to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 11:01 A.M.

Respectfully submitted,

Nancy Lapa,  
Secretary, LTMUA

# LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

390 NEW HAMPSHIRE AVENUE, LAKEWOOD, NEW JERSEY 08701  
PHONE (732) 363-4422 | FAX: (732) 905-0712 | WWW.LAKEWOODMUA.COM



## THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

### Regular Meeting Minutes

July 18, 2012

- I. Senator Singer opened the meeting at 2:04 P.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 June 28, 2012 and the Tri Town News on July 5, 2012.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**  
On the roll call the following Commissioners were present: Mr. Coles, Mr. Waxman and Senator Singer. The following professionals were present: Mr. Norman Smith, Esq. and Mr. Gerwin Bauer, Jr., Auditor. Mr. Justin Flancbaum, Executive Director, Mr. Paul Morrill, Engineer and Mrs. Nancy Lapa, Secretary were in attendance.
- V. **Minutes**  
A motion to approve the minutes of the Water Connection Fee Hearing held June 5, 2012, was made by Mr. Waxman and seconded by Mr. Coles. On a **voice vote**, all members present voted, "**Aye**". **Motion carried.**  
  
A motion to approve the minutes of the Sewer Connection Fee Hearing held June 5, 2012, was made by Mr. Coles and seconded by Mr. Waxman. On a **voice vote**, all members present voted, "**Aye**". **Motion carried.**  
  
A motion to approve the minutes of the Regular Meeting on June 5, 2012, was made by Mr. Coles and seconded by Mr. Waxman. On a **voice vote**, all members present voted, "**Aye**". **Motion carried.**  
  
Mr. S. Flancbaum arrived at 2:05 P.M. Mr. S. Flancbaum was seated as an alternate.
- VI. **Accountant's Report**  
Mr. Bauer handed out a semi-annual report dated May 31, 2012. The operating cash is holding a little over \$14,000,000. The report is showing approximately \$700,000 excess revenue over expenses. So far the Authority has been doing well financially this year.

Mr. Waxman asked if there are any shortages. Mr. Flancbaum responded that with the new plant, everything is good. Mr. Bauer said he started working on the budget for the new year. Senator Singer told Mr. Flancbaum to look over the capital projects.

## **VII. Engineer's Report**

### **1. Meter Replacement Phase 2**

- ☐ Resolution Awarding Change Order #1

The Change Order is in the amount of \$519,933.66. This is for removal and closing of any electrical lines that were connected to the old meters in the Villages. Mr. Smith said that this is being awarded as an emergency provision. This is a serious danger to the safety of the residents living there. Mrs. Lapa read **Resolution # 12-71 Authorizing Change Order #1 and Extend Contract Meter Replacement Phase II.** Motion was made by Mr. Coles, seconded by Mr. Waxman. On **roll call**, all members present voted, **"Yes". Adopted.**

### **2. Repair and Replacement of Sanitary Sewer on Redondo Lane**

- ☐ Resolution Awarding Change Order #2

This Change Order is a credit of approximately \$61,600. This is a little misleading because it really is a Change Order for \$154,000 in extras, but the Authority is cancelling this project which was for \$240,000. Senator Singer explained that the water intrusion was so vast that the pipes were not able to be installed. The Authority had to continue working till a point where the project can be stopped safely. Mr. Morrill said it was felt that the best way to go was to stop this contract and prepare new specifications. Then have the project rebid so that the contractors understand the work that needs to get done. Mrs. Lapa read **Resolution # 12-72 Authorizing Change Order #2 Redondo Lane Sanitary Sewer Improvements.** Motion was made by Mr. Coles, seconded by Mr. S. Flancbaum. On **roll call**, all members present voted, **"Yes". Adopted.**

### **3. New Hampshire Avenue Treatment Plant**

- ☐ Resolution Awarding Change Order #6

The Change Order is for \$20,245. There is \$2,400 in credits and approximately \$23,000 in additions. This Change Order is for six separate items which are listed on page ten in the packet. Piping changes, small pump changes, a pump on the day tank for the fuel line, roof drains and other miscellaneous items. Mrs. Lapa read **Resolution # 12-73 Authorizing Change Order #6 Expansion and Upgrades to New Hampshire Avenue Water Treatment Plant.** Motion was made by Mr. Coles, seconded by Mr. Waxman. On **roll call**, all members present voted, **"Yes". Adopted.** Mr. Morrill wanted to bring to the attention of the commissioners that at next month's meeting he will bring up that the Authority will not be installing the Photovoltaic System, solar panels. Mr. Morrill handed out a letter from the engineer, Hatch Mott MacDonald, about the Photovoltaic System re-evaluation. This will give a credit of over \$250,000 for the project. Mr. Flancbaum said that the market basically crashed and it will not benefit the Authority at this time. Mr. Morrill said at this point in time it would take seventy years to make the money back.

### **4. Leisure Village East Lift Station Repairs – Project Status**

In the packet on page thirteen is the notice to bidders which was published in the newspapers. Bids are being accepted on August 3, 2012 for repairs to the lift station. This project has been going on for two years. The project was delayed because the Authority wanted to have it done with the next item on the agenda, the Brick Township MUA Interconnection.

**5. Brick Township Municipal Utilities Authority Interconnections – Project Status**

The notice to bidders was published in the newspapers and the bids will also be accepted August 3, 2012. The reason it was wrapped together was because the service for the pumps for the interconnections needed electricity. In order to provide the electricity the Lift Station had to be modified.

Mrs. Fish arrived at 2:14 P.M.

**6. Cedar Bridge Raw Water Mains – Project Status**

The water mains and conduits for the fiber optic lines are in place. The Authority is holding off on the fiber optic lines because the Township is doing work on Pine Street. The Authority will wait till their work is done to prevent damage to the fiber optic lines.

**7. Chestnut Street Development – Project Status**

In the packet is a review letter. The Authority is waiting for them to address some of the technical items on the plans. The developer asked to be put on the agenda for final approval but there are too many items outstanding that prevents the Authority from considering them for final approval. Mr. Morrill said he wanted to bring to the attention of the commissioners that their permit will expire August 1, 2012. The developer said that it will be extended. The Permit Extension Act will be signed by the Governor. Senator Singer said the bill was passed and it is sitting on the Governor's desk.

**VIII. Attorney's Report**

**Redondo Lane Sanitary Sewer** - Mr. Smith has a resolution to officially terminate the Redondo Lane Sanitary Sewer Improvements Contract. Mrs. Lapa read **Resolution # 12-74 Terminating Contract Redondo Lane Sanitary Sewer Improvements**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

**Brick Township MUA Interconnection** - Mr. Smith said the Brick Township MUA sent a basic form contract for the interconnection. Mr. Smith, together with Mr. Flancbaum and Mr. Morrill, worked on some revisions. Mr. Smith spoke with Mr. Jerry D'Asti last week and he said he accepts the revisions. Mr. Flancbaum will set up a meeting with Brick MUA.

**Cell Lease Easement Purchase** - Yesterday the closing for the cell towers was supposed to take place. The purchaser supplied, for a second time, a packet of standardized documents for the closing. These documents were not submitted in advance for review. It required certifications that Mr. Smith needs time to research them. The purchaser wanted the Authority to give them the signed easements at the closing and then they would wire the money to the Authority in a few days. Mr. Flancbaum said we cannot work in that manner. Senator Singer said too much time is being spent on this. If this purchase cannot be settled soon, the Authority should walk away from this deal. Mr. Waxman said it sounds like they are flipping it. Mr. Smith said they are. Mr. Flancbaum said that he set up a tentative date for the closing next Tuesday, July 24, 2012. He told them the money needs to be wired into the Authority's account before the closing in order for the closing to take place.

**IX. Executive Director's Report**

- 1. Resolution to Award Contract to Van Cleef Engineering Associates - Phase II and Phase III for work being performed for the elimination of the Woodlake Lift Station**  
Mr. Flancbaum said that Phase I was for \$5,600. The total for Phase II and Phase III is \$19,000. Phase I included the development of several conceptual sewer alignments. Five different alignments were presented for review. It was narrowed down to two options. Phase II and Phase III will include discussions with impacted dischargers, easement acquisitions, required permitting, and overall cost estimates. Cost for these two phases is not to exceed \$19,000. Mrs. Lapa read **Resolution # 12-75 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1, et seq.** Motion was made by Mr. Coles, seconded by Mrs. Fish. On **roll call**, Mr. S. Flancbaum, Mr. Coles, Mr. Waxman and Mrs. Fish voted, **"Yes"**. Senator Singer abstained. **Adopted.**
- 2. Resolution to Award a Change Order to Birdsall Services Group - Construction Management Services in conjunction with the rehabilitation of Well Nos. 9, 10, and 16**  
Birdsall Services is asking for an increase in the observation budget. The initial construction observation budget was \$15,300 based on a four week construction period and assumed eighty hours of construction observation. The actual construction time was ten weeks. The reason it took longer was due to more intensive rehab efforts which were necessary at Well No. 9. Instead of performing maintenance on the line shafting, pump bowls, and pump impellers, it was decided to replace these items due to deterioration cause by iron build up. Mr. Flancbaum was in correspondence with Birdsall several times. Appropriate backup information was submitted. Additional amount requested is \$6,573.75. Mrs. Lapa read **Resolution # 12-76 Authorizing Change Order No. 1 and Extend Contract Redevelopment of Well Nos. 9, 10 and 16.** Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **voice vote**, all members present voted, **"Aye"**. **Adopted.**
- 3. Appraisal results for the acquisition of a permanent easement and a temporary construction easement from Calvary Lighthouse - installation of a sewer line eliminating the County Line Manor Lift Station**  
Appraisal results were received for Calvary Lighthouse property for installation of a sewer line which eliminates the County Line Manor Pump Station. The appraisal is for a permanent easement and a temporary construction easement. According to the appraisal the total for both easements is \$99,600. This amount does not include if work will be needed to be done to restore their basin. It does include restoration of lawn and trees. Mr. Flancbaum asked the commissioners for permission to contact Calvary Lighthouse to get this project going. Mr. Smith said the appraisal was done by Mr. Tony Graziano of Integra. Mr. Flancbaum was given permission to get this project going.
- 4. Cell Lease Easement Purchase - Closing Status**  
This was discussed in the Attorney's report.
- 5. Well No. 5 Relocation Status**  
The Authority received Township Planning Board approval for a minor subdivision on July 10, 2012. Applications should be ready for submittal to the DEP by the end of this week. The review period by the DEP should be around four to six weeks. The Authority should have a bid specification ready for next month's

Board Meeting at which time we can seek authorization to bid for the re-drill of Well No. 5.

Senator Singer said he has not heard anything more about the Hatch Mott MacDonald issue. Mr. Flancbaum said he has not heard anything and the ball is in their court.

Senator Singer asked for an update on the New Hampshire Avenue Treatment Plant. Mr. Flancbaum said that water is being distributed through the system and he is satisfied with the results. The vehicle storage building, Well No. 7 building and Well No. 17 building should have doors and be fully secured by the end of next week. Mr. Flancbaum said he does not want to move into the vehicle storage building until it is secure. Senator Singer said he wanted to make sure that the construction will be done before the winter. Mr. Flancbaum said it will be. Senator Singer also wanted to mention that the landscaping should look nice but it should be kept simple. It should have grass and bushes. Senator Singer wanted to know, with the contractors, if there are any major additional costs that need to be brought to their attention. Mr. Morrill said no.

Mr. Flancbaum said he wanted to bring another item to the attention of the commissioners. The new digital meter presented a problem with not being able to be used in Orthodox Jewish homes because of a problem with it on Sabbath. A prototype was developed with Sensus. Rabbi Gissinger came to the Authority this morning and he has given his stamp of approval on this prototype. A lid was added and the digital display does not go on unless you flip the lid. When the lid is opened there is a one second delay and then the read stays on for only thirty seconds. Rabbi Gissinger said he will give his approval in writing.

Senator Singer asked if the restoration project by the State on New Hampshire Avenue is finished. Mr. Morrill said no, it has not been started. Mr. Morrill got the State to allow them to wait until the fall to put in the trees. There is no reason to put them in now.

Mr. Flancbaum announced that the new vision benefits plan allows dependents up to age 26 to be on the plan.

**X. Instrumentation/IT Department Report**

No report this month.

**XI. Commissioners' Report**

Senator Singer wanted Mr. Flancbaum to be on top of the situation in the IT Department. Once the Authority is in full operation a third person will be needed. It is very important. Everything will be running strictly by computer and we need the staff for it. If one person is out sick, that leaves one person by themselves to run the whole operation. Mr. Coles said that if the Authority feels they do not have enough work for a new person, the Township would be willing to work out an agreement to use some of the hours there.

**XII. MEETING OPEN TO THE PUBLIC**

There was no response from the public.

**XIII. MEETING CLOSED TO THE PUBLIC**

**XIV. MOTION TO APPROVE THE OPERATING VOUCHERS**

A **motion** was made by Mr. Coles and seconded by Mr. S. Flancbaum to approve the amended Operating Vouchers in the amended amount of \$974,119.06. On a **roll call**, all members present voted, "**Yes**". **Motion passed.**

**XV. CLOSED SESSION**

**XVI. OPEN SESSION**

**XVII. ADJOURNMENT**

A **motion** was made by Mr. Waxman, seconded by Mr. Coles to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 2:30 P.M.

Respectfully submitted,

Nancy Lapa,  
Secretary, LTMUA

# LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

390 NEW HAMPSHIRE AVENUE, LAKEWOOD, NEW JERSEY 08701  
PHONE (732) 363-4422 | FAX: (732) 905-0712 | WWW.LAKEWOODMUA.COM



## THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

### Regular Meeting Minutes

August 7, 2012

- 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 10, 2012 and the Tri Town News on February 16, 2012.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**

On the roll call the following Commissioners were present: Mr. Theibault, Mr. S. Flancbaum, Mr. Coles, Mr. Waxman and Senator Singer. Mr. S. Flancbaum and Mr. Theibault were seated as alternates. The following professionals were present: Mr. Norman Smith, Esq. and Mr. Gerwin Bauer, Jr., Auditor. Mr. Justin Flancbaum, Executive Director, Mr. Paul Morrill, Engineer, Mrs. Nancy Lapa, Secretary and Mr. Robert Farina, Instrumentation/IT Department Supervisor were in attendance.
- V. **Minutes**

A motion to approve the minutes of the Regular Meeting on July 18, 2012, was made by Mr. Coles and seconded by Mr. Waxman. On a **voice vote**, all members present voted, "**Aye**". **Motion carried.**
- VI. **Accountant's Report**

Mr. Bauer reviewed the study done by Aon for post-employment health benefits. The contribution amount is about double from before. It went from approximately \$83,000 to approximately \$160,000. Mr. Bauer said he will use this amount for the next year's budget. Senator Singer thanked Mr. Bauer for taking care of this. Mr. Bauer said that the Authority is one of the few agencies in the State that had the study done. The State Legislature has to set up some kind of cash



mechanism to have these monies set aside. Right now it is not recognized. It has to be in a non-revocable trust. At this time it is not legal in the State of New Jersey. The State will be working on it.

Mrs. Fish arrived at 10:03 A.M. Mr. Theibault is no longer seated as an alternate.

## **VII. Engineer's Report**

### **1. Meter Replacement Phase 2**

- ☐ Resolution Ratifying Reduction in Cost to Change Order #1

Mrs. Lapa read **Resolution # 12-77 Ratifying Reduction To Change Order No.**

**2. Meter Replacement Phase II.** Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

## **VIII. New Hampshire Avenue & Healthcare Way Apartments (EZ Storage Site)**

- ☐ Resolution Accepting Terms of Developer's Agreement

In the packet on page five is Schedule B, dated July 25, 2012. It details the terms of the agreement which includes that the developer is willing to pay \$60,000 to the Authority towards the construction of the sanitary sewer that will go around their property. This \$60,000 is in conjunction with the \$100,000 received from Knipper that will start a sewer line that will eventually replace the sewer line on Healthcare Way, formerly known as Salem Street. That sewer line was installed in the 1960's and is below State standards and has been known as a problem for a while. Eventually, the new sewer line will be used to service the area. The developer has agreed to do this in lieu of building an eighteen inch line across the front of their property, which the Authority originally intended to service the area. Mr. Smith said that there is a clause in the Developer's Agreement that states that if the next property down gets developed, the Authority is required to levy that property developer their fair share of the construction of this line because they will be benefitting from it. Mr. Smith also stated that because of a couple of conflicting appellate division cases that came down in the last two years, the law on whether the Authority actually has the power to do it is unclear. Therefore, Mr. Smith said he provided in the Developer's Agreement that if the Authority is drawn into a law suit on this, this developer will pay the legal fees. Mrs. Lapa read **Resolution # 12-78 Authorizing Of The Developer's Agreement New Hampshire Avenue And Healthcare Way Apartments.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted, "**Yes**". **Adopted.**

## **IX. County Line Manor Synagogue**

- ☐ Resolution Accepting Terms of Developer's Agreement

In the packet on page seven is a Schedule B. It is undated and unsigned. It gives the terms of this project. It is detailed due to the fact that the pump station is on their property, which means they own the pump station. The terms indicate that the Authority will operate it until the Authority can eliminate it. Mr. Waxman asked if they acknowledge that they own it. Mr. Smith said that one of the provisions of this agreement is that they acknowledge that they own it. Mr. Waxman asked who will dismantle it. Mr. Smith said that it is in the agreement that at the time that it is replaced, it is the developer's property and is obligated to

dispose of it. Mr. Coles asked if there is a time frame that the pump station has to be dismantled. Mr. Smith said there is no time frame in the agreement but if needed, the Authority can force them to do it. Mrs. Lapa read **Resolution # 12-79 Authorizing The Execution Of The Developer's Agreement County Line Manor Synagogue**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On roll call, all members present voted, "Yes". **Adopted**.

#### **X. Leisure Village East Lift Station Repairs**

- ☐ Resolution Awarding Professional Services Contract

This will be discussed together with next item on the agenda, Brick Township MUA Interconnection.

#### **XI. Brick Township Municipal Utilities Authority Interconnections**

- ☐ Resolution Awarding Professional Services Contract

The two projects are going on simultaneously and are out to bid at this time. Bids will be accepted for Lift Station first. Approximately, one week later bids will be accepted for the Interconnection. The pump station is a much larger project and more complicated. The Authority has a proposal from the engineer for the pump station for construction inspection. In the proposal on the Interconnection, their engineer will provide administrative services. They will process payments and so forth. Inspection that will overlap both is needed. Remington Vernick was asked for a proposal and it is in the handout. Mr. Morrill feels that it is probably best to have the inspection services from GTS. They are the engineers for the pump station which is the bigger project. They can also coordinate the Interconnection. A Change Order will be needed for the increased work on it. A meeting will be held this afternoon with GTS. There will not be any resolutions today because the Authority does not have the actual proposal.

The following items were added onto the agenda at the meeting:

#### **XII. Repair and Replacement of Sanitary Sewer on Redondo Lane**

On August 6, 2012 the Authority received two letters from Ernst Ernst and Lissenden. The attorney has not seen them yet. There are two resolutions that are needed. One is a Change Order in the amount of \$14,855.00, for the extra engineering work that was done for the original contract. The second one is a new contract for cost not to exceed \$20,096.00. This is the additional engineering services to prepare the new plans and specifications and construction observation for remainder of their work on Redondo Lane. Senator Singer said that these resolutions will be approved subject to the review and approval of the Authority's attorney. Mrs. Lapa read **Resolution # 12-80 Authorizing Change Order No. 3 Redondo Lane Sanitary Sewer Repair And Replacement**. Motion was made by Mr. Coles, seconded by Mr. Waxman. On roll call, all members present voted, "Yes". **Adopted**. Mrs. Lapa read **Resolution # 12-81 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1, et seq**. Motion was made by Mr. Coles, seconded by Mr. Waxman. On roll call, all members present voted, "Yes". **Adopted**.

### **XIII. New Hampshire Avenue Treatment Plant**

The contractor is finishing the Backwash Tank. This is the biggest mechanical item remaining. They are starting on the site work. The lights are being installed. Curbs are being put in. By the end of August, they are hoping to have the base course and blacktop down. Senator Singer was pleased. Mr. Waxman questioned what is going to be where the tractors are. Mr. Morrill said it will be parking for employees. There will be a gate that can be accessed only with the employees' cards. There are a few minor changes with details like making sure cars do not back up into light poles etc. Senator Singer said that based on the schedule it looks like everything will be done before the winter. Mr. Morrill said it should be. Senator Singer asked when the treatment plant will be on automatic. Mr. Morrill said he figures that all the programming will be done by the end of the year.

### **XIV. Attorney's Report**

**Brick Township MUA Interconnection** - Mr. Smith said the Brick Township MUA Interconnection Agreement was executed by Mr. Flancbaum. Brick Township MUA executed their part. This is technically a shared services agreement. Mr. Smith spoke with Mr. Jerry D'Asti. He feels that Brick Township MUA needs to get the approval of the Brick Town Council and he asked if the Authority is getting the approval of the Lakewood Committee. Mr. Smith said he did not see a reason to get their approval. The Authority is authorized by the ordinance. Mr. D'Asti said that Brick Township MUA has a Service Agreement with the town. Mr. Smith said that the Authority also has a Service Agreement with the township. Mr. Smith said that the Service Agreement was made in 1975 and there are three supplements. They are accommodations to help the Authority's bonding capacity. Mr. Smith called Mr. Eichenbaum, the Authority's Bond Counsel, and he said he saw no reason to go to the township. Mrs. Lapa read **Resolution # 12-82 Authorizing the Execution of the BTMUA/LTMUA Interconnection Agreement**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted, **"Yes"**. **Adopted**.

**New Jersey Turnpike Authority** – Mr. Smith said the Authority was served with two separate lawsuits from the New Jersey Turnpike Authority seeking to condemn property on which the Authority has some interest. Mr. Smith is reviewing them to make sure that the Authority does not lose their easements and underground facilities. Mr. Smith does not think the Authority will. Mr. Flancbaum said that the Turnpike Authority is looking for property from the township at the intersection of Shorrock Street and Route 70. The Turnpike Authority runs the Garden State Parkway and the Parkway is looking to make more interchanges.

### **XV. Executive Director's Report**

#### **1. Municipal Tax Sale**

Mr. Flancbaum went to the Tax Office and introduced himself to the new Municipal Tax Collector last week. They plan on conducting the Tax Sale in mid to late October, hopefully. We are in the midst of gathering all necessary data to send to her for her review. She has her own way of doing things, a little different

than the previous Tax Collector. We will work with her and expressed that he anticipates continued cooperation between the Tax Collector's office and the Authority. Before the Tax Sale list is generated, a preliminary list will be given to the Tax Collector to be looked over and to make modifications that she feels is necessary. The Authority will send out a complimentary notice to the delinquent accounts, even though the Authority is not obligated to. The Tax Collector will send out the statutory notice about four weeks before the tax sale.

**2. Cell Antenna Lease Easement Purchase – Status**

On July 24<sup>th</sup>, 2012 the closing on Phase 1 of the lease easement purchase took place. The closing was for the two active cell antenna leases, Verizon on Airport Road and T-Mobile on New Hampshire Avenue. \$468,313.00 was received at closing. The closing for Phase 2, which is Sprint's lease on Airport Road, will take place upon completion of the construction of their facilities. This is anticipated to take a couple of months. The closing for Phase 2 will be in the amount of \$256,687.00. The total amount is \$725,000.00. Mr. Smith said that the monies were wired to the Authority's bank account before the closing.

**3. Calvary Lighthouse; Easement Acquisition – Status**

On July 27<sup>th</sup>, 2012, Mr. Flancbaum and Mr. Morrill met with Pastor Wes and presented him with a copy of our appraisal which was for approximately \$96,000.00. This is an appraisal for the easements required for the elimination of the County Line Manor Pump Station. Also present at the meeting was a Board Member of Calvary Lighthouse. They said would most likely want to get their own appraisal. The Pastor met with his Board July 30<sup>th</sup>, 2012. Mr. Flancbaum spoke with the Pastor last week and the Pastor advised that Calvary would like to get its own appraisal and will get back to the Authority. Mr. Flancbaum said that it is fine. Hopefully they will get it back in four to six weeks, although, the Authority's appraisal took a few months. When they get their appraisal, we will work with them. Both appraisals will be compared and we will work to come up with a mutual understanding.

**4. Resolution awarding Professional Services Contract to Van Cleef Engineering Associates for Land Surveying work associated with sanitary sewer improvements along Ocean Avenue (Elimination of Woodlake Lift Station)**

-  
Van Cleef has come up with several different alternatives for routes for the new sanitary sewer line. A route was identified as the one to take. This resolution is for land surveying work which was not included in the original proposal. The total amount is \$49,500.00. Mrs. Lapa read **Resolution # 12-83 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1, et seq.** Motion was made by Mr. Coles, seconded by Mrs. Fish. On roll call, all members present voted, "Yes". **Adopted.**

**5. Resolution awarding Professional Service Contract to Trident Environmental Services**

Mr. Flancbaum said that this item is in conjunction with the previous item. The work that Trident will be performing is a wetlands delineation and submittal of a

Letter of Interpretation to the DEP. There are some wetlands in the buffer areas in the proposed route. Total amount of the contract is \$10,400.00. Mrs. Lapa read **Resolution # 12-84 Awarding Contract Without Public Bidding For Environmental Services For The Elimination Of The Woodlake Pump Station.** Motion was made by Mr. Waxman, seconded by Mr. Coles. On roll call, all members present voted, "Yes". **Adopted.**

**6. Closed Session - Personnel**

Senator Singer questioned what happened with Alan Florist and his problem with his bill. Mr. Flancbaum said that there was a mistake. It was corrected and he received credit.

**XVI. Instrumentation/IT Department Report**

Mr. Farina reported that the IT Department is continuing on with the SCADA programming for the New Hampshire Water Treatment Plant. The programming is experiencing delays for a number of reasons:

1. There was trouble with the new radio/antenna system at Shorrock Street Water Treatment Plant to New Hampshire Avenue Link. The contractor is replacing it with a new radio/antenna at his expense.
2. On June 28<sup>th</sup> there was a lightning strike that resulted in new and existing equipment failures.
3. There are construction related issues. All are being addressed as they come about and are being resolved.
4. There are some vendor software issues, which are being addressed.
5. We are working on the design on controls for the Leisure Village East Lift Station upgrade and the Brick Township MUA Interconnection.

Mr. Farina had a meeting with the lightning protection vendor as well as our electrical contractor regarding the lightning issues. Together we devised a protection scheme that will employ lightning protection on the Well No. 17 building, New Hampshire Avenue Tank, the two backwash tanks and the Filter Building. This will form a loop around the structures and the Communications Shed, which houses majority of the Authority's sensitive equipment. This will protect it as best as we can within reason. The majority of the strikes involve the 100 foot tank. The tank will be included in the loop. The two contractors also suggested installing surge protection on all power panels to prevent line voltage strikes. Mr. Farina is in agreement with that recommendation and estimates are forthcoming. Mr. Farina said that the Administration Building is also included in the protection. When all is said and done, Mr. Farina believes that the Authority is doing all that can be monetarily reasonable and feasible to prevent the strikes. Mr. Waxman questioned if the isolated well houses have lightning protection. Mr. Farina said they do have lightning protection. But as the radio systems are being installed there, lightning protection is being updated as required for those radio systems. These radio systems themselves attract lightning.

Attention is also being given to maintaining an in house stock of electrical and electronic critical spare equipment that will ultimately reduce and/or eliminate downtime in the event of equipment failure.

Currently, a new Cloud-based backup system is being evaluated. This system would take system snapshots at thirty minute intervals and greatly increase our ability to perform disaster recovery measures. A meeting was held with the vendor and it was discussed in detail. The options are being evaluated. The system that they are offering seems to be a good system. The Authority's main concern was how quickly the system can get back up and running again after catastrophic failure. The questions were answered satisfactorily. Right now the Authority is not backed up with a generator, but we are pushing the contractor to step up his efforts in hooking up the generator.

The PC's have been integrated and securely connected on the internal network, allowing for the first time to remotely control the gates, doors and even HVAC at Shorrock Street Water Treatment Plant from a secure terminal in the New Hampshire Avenue Operations Building.

The Authority is in the process of updating and modernizing some of the sections of the website, as well as adding analytics to allow the Authority to monitor and interpret web traffic to our site.

#### **XVII. Commissioners' Report**

#### **XVIII. MEETING OPEN TO THE PUBLIC**

There was no response from the public.

#### **XIX. MEETING CLOSED TO THE PUBLIC**

#### **XX. MOTION TO APPROVE THE OPERATING VOUCHERS**

A **motion** was made by Mr. Coles and seconded by Mrs. Fish to approve the amended Operating Vouchers in the amended amount of \$1,418,690.05. On a **roll call**, all members present voted, "**Yes**". **Motion passed.**

#### **XXI. CLOSED SESSION**

A **motion** was made by Mr. Coles and seconded by Mr. Waxman to go into closed session at 10:30 A.M to discuss personnel and possible litigation. On a **voice vote**, all members present voted, "**Aye**".

#### **XXII. OPEN SESSION**

A **motion** was made by Mr. Waxman and seconded by Mr. Coles to go back into open session at 10:51 A.M. On a **voice vote**, all members present voted, "**Aye**". Contract negotiations and personnel were discussed in closed session.

#### **XXIII. ADJOURNMENT**

A **motion** was made by Mr. Coles, seconded by Mr. Waxman to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 10:52 A.M.

Respectfully submitted,

Nancy Lapa,  
Secretary, LTMUA

# LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

390 NEW HAMPSHIRE AVENUE, LAKEWOOD, NEW JERSEY 08701  
PHONE (732) 363-4422 | FAX: (732) 905-0712 | WWW.LAKEWOODMUA.COM



## THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

### Regular Meeting Minutes

September 4, 2012

- 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 10, 2012 and the Tri Town News on February 16, 2012.
- 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. Waxman, Mrs. Fish and Senator Singer. Mr. S. Flancbaum was seated as alternate. The following professionals were present: Mr. Norman Smith, Esq. and Mr. Gerwin Bauer, Jr., Auditor. Mr. Justin Flancbaum, Executive Director, Mr. Paul Morrill, Engineer, Ms. Robyn Gaynor, Office Administrator and Mr. Robert Farina, Instrumentation/IT Department Supervisor were in attendance.
- V. **Minutes**  
A motion to approve the minutes of the Regular Meeting on August 7, 2012, was made by Mr. Waxman and seconded by Mrs. Fish. On a **voice vote**, Mr. S. Flancbaum, Mr. Waxman, Mrs. Fish and Senator Singer voted, "**Aye**". Mr. Sernotti abstained. **Motion carried.**
- VI. **Accountant's Report**  
Mr. Bauer reported that the Authority is doing financially very well. Mr. Bauer is near finishing on the operating side of the budget and will work on the capital side. Mr. Bauer said he has to discuss with Mr. Flancbaum the new hires. Senator Singer explained that two new hires are being put into the budget for next year. One hire will be a field person and the second will be an IT person, if needed. More of the running of the Authority is coming under the IT Department and we want to make sure that they are not overwhelmed. Mr. Bauer said that extensions are needed to finish the work on the Water and Sewer Budgets. Ms. Gaynor read **Resolution # 12-85 2012-2013 Water Budget Extension**. Motion was made by Mr. Sernotti, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, "**Aye**". **Adopted.** Ms. Gaynor read **Resolution**



**# 12-86 2012-2013 Sewer Budget Extension.** Motion was made by Mr. Sernotti, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

Mr. Theibault arrived at 10:05 A.M.

## **VII. Engineer's Report**

### **1. Repair and Replacement of Sanitary Sewer on Redondo Lane**

- ☐ Motion Granting Authorization to Bid

On August 29, 2012 Mr. Morrill received plans and specifications which are now being reviewed. At this time Mr. Morrill is requesting a motion authorizing to put this out to bid. A **motion** was made by Mr. Waxman and seconded by Mrs. Fish to grant authorization to bid. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

### **2. Garden State Parkway Widening and Interchange Improvements**

- ☐ Resolution Authorizing the Authority to Sign Utility Order with the Turnpike Authority
- ☐ Resolution Awarding Professional Services Contract

In the packet is a letter from GTS recommending the execution of a Utility Order. The Utility Order authorizes the reimbursement of the Authority for costs expended up to \$50,000 for professional services and/or some construction. Ms. Gaynor read **Resolution # 12-87 Authorizing Execution Of New Jersey Turnpike Authority Utility Order No. 1413-P Providing For Relocation Of Certain Facilities and Reimbursement For the Cost Thereof.** Motion was made by Mr. S. Flancbaum, seconded by Mr. Waxman. On a **voice vote**, all members present voted, "**Aye**". **Adopted.** In the packet on pages four and five is a letter from GTS detailing consulting expenses including inspection services and some construction services. The construction services will be inspection and grouting of a sewer line that is being abandoned. The Authority convinced the Turnpike Authority that it will be in their best interest to help grout and abandon the asbestos cement line that runs underneath Route 70. The Turnpike Authority agreed to it. The total amount they authorized is \$50,000. In the handout, there is a proposal from GTS for consulting services in the amount of \$46,272.00. This covers the inspection services and the construction services. Ms. Gaynor read **Resolution # 12-88 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1, et seq.** Motion was made by Mr. S. Flancbaum, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

### **3. Cellular Antennas**

- ☐ Resolution Awarding Professional Services Contract

In the packet is a letter from the Authority dated August 14, 2012 detailing the review of the cell equipment plan. In that letter the Authority indicates that inspection services will be required to make sure the tank is not damaged. There is a proposal from Remington Vernick dated August 8, 2012 detailing the services needed for inspection. These costs will be reimbursed by the cell antenna carrier. Ms. Gaynor read **Resolution # 12-89 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1, et seq.** Motion was made by Mr. Sernotti, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

### **4. Brick Township Municipal Utilities Authority Interconnections**

- ☐ Resolution Ratifying Award of Contract

In the packet on page ten is a letter from Avakian recommending award. On page eleven is a letter from the Authority's attorney recommending award conditioned on his letter. The Authority has issued a notice of award based on a phone poll, which is also

included. The resolution will ratify the phone poll. Ms. Gaynor read **Resolution # 12-90 Awarding Contract to D&D Trenchless Solutions for Shorrock Street Water Main Interconnection**. Motion was made by Mr. S. Flancbaum, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

**5. Leisure Village East Lift Station Repairs**

- ☐ Resolution Ratifying Award of Contract
- ☐ Resolution Awarding Change Order #2 to Professional Services Contract  
This is for the Leisure Village East Lift Station upgrade. The Authority received a letter from GTS recommending award to B&H Contracting. The Authority's attorney's letter states that based on his review there are no conditions for the award. There was a phone poll. Ms. Gaynor read **Resolution # 12-91 Awarding Contract to B&H Contracting for Leisure Village East Lift Station Repairs**. Motion was made by Mr. S. Flancbaum, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". The Authority asked GTS to perform inspection services not only on their part of the contract but also to cover the inspection of the Brick Interconnection since they will be done at the same time. It will be good to have the same person coordinating it. In the packet on page twenty one is a proposal. Ms. Gaynor read **Resolution # 12-92 Authorizing Change Order No. 2 and Extend Contract Leisure Village East Lift Station Repairs**. Motion was made by Mr. Sernotti, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**

**6. Adjustments to Manhole Frames and Covers within Original Leisure Village**

- ☐ Resolution Awarding Change Order #1 (Net Reduction to close out contract)
- ☐ Resolution Releasing Performance Guarantee and Accepting Maintenance Guarantee  
The Change Order is for a credit in the amount of \$5,560.00. Ms. Gaynor read **Resolution # 12-93 Authorizing Change Order No. 1 Original Leisure Village Adjustment to Manhole Frames and Covers**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**. There are two letters in the packet. One letter is from Ernst Ernst and Lissenden approving the Maintenance Bond as far as the dollars and the second letter is from the Authority's attorney approving the Maintenance Bond as far as form. Ms. Gaynor read **Resolution # 12-94 Release of Performance Guarantees Original Leisure Village Adjustments to Manhole Frames and Covers**. Motion was made by Mr. Sernotti, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

**7. Route 70 and Vermont Retail Development**

- ☐ Resolution Awarding Professional Services Contract
- ☐ Resolution Reducing Performance Guarantees  
This is the Wawa that is being constructed on Route 70. In the packet on page twenty nine is a letter from Remington Vernick detailing the services needed. In the Developer's Agreement it states that the documents need to be reviewed by an independent person to verify that the amounts that they spend are accurate. This is being done because they wanted a reimbursement agreement. The Authority has a Professional Services Agreement with Remington Vernick to review it. Ms. Gaynor read **Resolution # 12-95 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1, et seq.** Motion was made by Mr. Sernotti, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, "**Aye**". **Adopted**. In the packet on page thirty one is a letter requesting Bond Reduction from Kaplan. On page thirty three is a letter from the Authority detailing the Bond Reduction which would be acceptable, which is the full seventy percent acceptable by law. Ms. Gaynor read **Resolution # 12-96 Reduction of Performance Guarantees Sanitary Water and Sewer Systems Route 70 and Vermont Retail Development**. Motion was made by Mr.

Sernotti, seconded by Mr. Waxman. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

#### **8. Lakewood Toyota Dealership**

- ☐ Resolution Granting Final Approval

In the packet on page forty is a letter from the Authority updating the review of the water and sewer plan status. Ms. Gaynor read **Resolution # 12-97 Off Site Water Main Grant of Final Approval Lakewood Toyota Expansion**. Motion was made by Mr. Sernotti, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

#### **9. Lanes Mill Road 15 Lot Development**

- ☐ Resolution Granting Conceptual Approval
- ☐ Resolution Granting Technical Approval for Onsite Water and Sanitary Sewer

In the packet on page forty three is a letter from the Authority dated July 20, 2012 detailing conceptual review of the water and sewer plans. Mr. Flancbaum said that this is Chaim Abadi's project. Ms. Gaynor read **Resolution # 12-98 Off Site Water Main Grant of Conceptual Approval Lanes Mill Road 15 Lot Subdivision**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.** On page forty six in the packet is a letter dated August 21, 2012 detailing the technical review of the water and sewer plans. Ms. Gaynor read **Resolution # 12-99 Off Site Water Main Grant of Technical Approval Lanes Mill Road 15 Lot Subdivision**. Motion was made by Mr. Sernotti, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

#### **10. Meter Replacement Phase 2 – Project Status**

At the present time 3,758 meters were installed as of August 23, 2012 out of 6,500. The installations are going very well. Senator Singer questioned if enough time passed to see if the newly installed meters are capturing monies that the Authority felt they would. Mr. Flancbaum said that more time is needed, another quarter of billing. Industrial Park was just finished with the new meter installation. This area would be a good indicator.

#### **11. Airport Road Water Storage Tank – Project Status**

On July 11, 2012 the Authority was notified by MBA Tank inspections crew that there was a minor leak in the drain plug. The Authority notified the tank contractor about the leak and several other items and has not heard back from them. At this time Mr. Morrill would recommend that the Executive Director to send them a letter and if they do not respond by next month, the Authority attorney should be authorized to take action on the Maintenance Bond. Mr. Flancbaum said he thinks that the attorney should write a letter and call the bond in.

#### **12. New Hampshire Avenue Treatment Plant – Project Status**

More of the site work is getting done. There are still a number of items that the Authority would like to get done quicker and the contractor was notified of them. Senator Singer said that he wants to mention again that the work should be done before the cold weather sets in so there should not be any damage or mess. The contractor should be on notice that the work needs to get done before the cold weather sets in.

#### **13. County Line Manor Synagogue – Project Status**

The terms of the Developer's Agreement was presented at last month's meeting. A meeting was held with them to finalize the Developer's Agreement. Some minor adjustments were made. The final version of Schedule B is included in the packet. The developer admitted that they are the owners. Mr. Flancbaum said that they will dismantle the pump station when the Authority tells them to and they will give their contribution.

## **VIII. Attorney's Report**

The Attorney General on behalf of the State of New Jersey has filed a response to the Turnpike Authority's condemnation action opposing it.

## **IX. Executive Director's Report**

- 1. Resolution to award contract to Hatch Mott MacDonald** for Landscaping Support Work in relation to the New Hampshire Water Treatment Plan Expansion for cost not to exceed \$5,000 -

A proposal was received from Hatch Mott MacDonald to finish off the landscaping work in conjunction with the Water Treatment Plant Expansion. The proposal to prepare the landscaping plan is not to exceed \$5,000. The proposal also includes compiling as-built information to prepare a base map based on the current grading and to provide limited coordination and observation of the actual planting work. Senator Singer wanted to point out that the \$5000 is not for the design of landscaping plan. The drainage issue is the key issue for having an engineer. If not for the drainage issue we would just have had a landscaper come in to design the landscape. If the drainage is not taken care of properly, there would be water in the buildings and water on the roads. Ms. Gaynor read **Resolution # 12-100 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 Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

- 2. Resolution to reimburse premiums for Medicare Part B for active Employees**

Previously the Authority adopted a policy to reimburse premiums for eligible retirees. This resolution will allow us to reimburse Medicare B premiums for active employees. An employee will present to the Authority that they have paid their Medicare Part B premium and the Authority will reimburse the active employee. Senator Singer said he will not vote on this resolution since this affects him. This is done because it saves the insurance fund money. Ms. Gaynor read **Resolution # 12-101 Authorizing Reimbursement of Medicare Part B Premiums for Active Employees.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, Mr. S. Flancbaum, Mr. Sernotti Mr. Waxman and Mrs. Fish voted, "**Aye**". Senator Singer abstained. **Adopted.**

- 3. Resolution Appointing Adam Ponsi Qualified Purchasing Agent** for the Authority and raising Authority's bid threshold from \$26,000 to \$36,000 -

Adam Ponsi was one of the only half of his class that passed the exam to become a Qualified Purchasing Agent. First part of the resolution is to appoint Adam Ponsi as Qualified Purchasing Agent for the Authority. The second part of the resolution is to raise the bid threshold from \$26,000 to \$36,000. Senator Singer congratulated Adam. Ms. Gaynor read **Resolution # 12-102 Appointing Adam Ponsi as Qualified Purchasing Agent Pursuant to N.J.A.C. 5:34-5.4.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

- 4. Resolution Authorizing the signing of lease agreement between Chaveirim and the Authority** for installation of a radio antenna on the Ridge Avenue Water Tank
- Chaveirim will be installing a radio antenna on top of the Ridge Avenue Water Tank. The Authority will give them the space free of charge. However, as part of the agreement, they will maintain and operate the equipment at their own cost. The lease can be cancelled at any time by the Authority if need be. Senator Singer asked if this affect the deal made on the other antennas. Mr. Flancbaum and Mr. Smith said it does not. Ms. Gaynor read **Resolution # 12-103 Authorizing the Execution of a Lease Agreement with Chaveirim Volunteer Services, Inc. Ridge Avenue Water Storage Tank.** Motion

was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

5. **Resolution to award contract to Remington & Vernick** for the inspection of Well houses 1, 3, & 5 and recommendations for rehabilitations; cost not to exceed \$6,400 - This is a project the Authority wanted to do for a couple of years. Now that the Treatment Plant Expansion is on the wind down, the Authority would like to have Well Houses Nos. One, Three and Five inspected and get recommendations for rehabilitations of the well houses. One well house in particular is disrepair. The cost should not exceed \$6,400. Ms. Gaynor read **Resolution # 12-104 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1, et seq.** Motion was made by Mr. Sernotti, seconded by Mr. Waxman. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.
6. **Meticulous Landscaping**  
This resolution is for landscaping work in conjunction with the Water Treatment Plant Expansion. The amount of the proposal is \$16,260. This does not include irrigation. Meticulous Landscaping is part of the County Cooperative. They won the bid for repairs and maintenance of irrigation systems, not installation. Mr. Flancbaum said that the Authority is taking a look to see if we can piggy back on County contract for installations. If we cannot, an ad will be put on the website advertising for service for irrigation. A bid opening will then be held in ten to eleven days and then a phone poll will be made to the commissioners. Ms. Gaynor read **Resolution # 12-105 Awarding Contract Without Public Bidding for Landscaping Services for the New Hampshire Avenue Water Treatment Plant Expansion.** Motion was made by Mr. S. Flancbaum, seconded by Mr. Waxman. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

Mr. Smith said he would like to bring an item to the attention of the commissioners. The Authority is now in a situation that has not come up previously. The Pay-To-Play law has a requirement that if you are over the Pay-To-Play threshold, which is \$17,500, a no bid contract has to be accompanied either by a Fair and Open Solicitation Process, which is easy to do, or by a certification that no improper contributions have been made. This was never a problem before for the Authority because the \$17,500 threshold was also the bidding threshold. Before when the Authority went out to bid, going out to bid is fair and open. Also, the RFQ procedure is automatically fair and open. Now that the Authority has a Qualified Purchasing Agent, the bidding threshold is much higher. Now the Authority will have cases where it will not have to go out to bid but will be over the \$17,500. Therefore, the Authority will have to have a Fair and Open Process not related to either of those two formal procedures. The Division of Local Government Services says in their regulations that an agency such as the Authority has to adopt a Fair and Open Standard, a list of criteria that the Authority has to comply with. This has to be formally adopted in advance. Mr. Smith said he used the recommended criteria from the Division of Local Government Services and put it in the form of the Authority's policy. Mr. Smith gave the title and will prepare the resolution. Ms. Gaynor read **Resolution # 12-106 Adopting Standardized "Fair and Open" Criteria in Accordance with N.J.S.A. 19:44A-20.1, et seq. (New Jersey Pay To Play Law).** Motion was made by Mr. Waxman, seconded by Mr. S. Flancbaum. On **roll call**, all members present voted, "**Yes**". **Adopted**.

Mr. Flancbaum wanted to bring one more item to the attention of the commissioners. The Ridge Avenue Tank was put out to bid around one and one half years ago and T-Mobile was the successful bidder. Mr. Flancbaum spoke with them last week. They have not done anything yet and they have no plans on actually putting up an antenna for at least a

year. Verizon has expressed interest in installing an antenna on the tank. The T-Mobile bid has to be formally cancelled. Mr. Smith said that it can be done. Then it has to be put out to bid again. Verizon has expressed interest and seems serious. Although there is always the chance that they will not submit a bid. It costs the Authority \$10,000 to put out the bid. Senator Singer wanted to know why it has to cost \$10,000. The Authority already has the specs. Mr. Flancbaum said some site conditions have changed, the work that Chaveirim is doing on site has to be included in the site plan. Senator Singer said that the Authority should speak to Verizon because if they will not bid on it, it does not make sense to spend \$10,000. Mr. Flancbaum said that the Verizon has expressed serious interest through Mr. Morrill and himself. They have followed up at least six times in the past five to six weeks. They seem very interested but they can change their mind at the last moment. Senator Singer asked the commissioners what should be done. Mr. Sernotti asked if there is a way to talk to them and tell them that the Authority is going out to bid because they were interested. Mr. S. Flancbaum asked what the upside is. Mr. Flancbaum said that the upside is that Verizon will bid and the Authority will start collecting rent and it will be additional revenue for the Authority. The Authority will make the \$10,000 back in six months. Mr. Flancbaum said the reason it is only costing \$10,000 is because T-Mobile gave a bid deposit of \$10,000 which is nonrefundable. Total would have been \$20,000 to go out for bid. Mr. S. Flancbaum questioned what makes the bid cost \$20,000. Mr. Flancbaum said there is engineering services and redesign of a site plan. Senator Singer asked why the site plans needs redesign. Mr. Flancbaum said the site has to be redesigned. A discussion ensued and it was decided that Mr. Morrill and Mr. Flancbaum will get a price on how much it will cost to put out to bid and then it will be presented to the commissioners. Mr. Flancbaum said that in the meantime, the T-Mobile bid should be cancelled. A **motion** was made by Mr. Waxman and seconded by Mr. Sernotti to cancel the T-Mobile bid. On a **voice vote**, all members present voted, "**Aye**". **Motion passed.** Mr. Smith suggested asking Verizon for a letter of intent. It is not binding on their part.

#### **X. Instrumentation/IT Department Report**

Mr. Farina reported that the department's priority is with getting the New Hampshire Water Treatment Plant to operate automatically. We are still experiencing delays with that effort due to the contractor's inability to provide us with the equipment and labor needed to do so and in bringing in the vendor support that is needed to get the malfunctioning equipment running properly. In addition, some equipment is still out for repair owing to the June 28, 2012 lightning strike. The equipment is due back today, the latest tomorrow. We are communicating with our engineering consultants on a daily basis with respect to these issues. This morning it would appear that we have the electricians back on site to perform some of the previously mentioned tasks. Mr. Farina believes they are on the way with getting the issues resolved.

We are in the process of making electrical and equipment housing improvements with our Ridge Avenue tank site. Mr. Farina expects the effort to be completed in the next two weeks. All the old cabinets on site were replaced with a building. It will now be easier to work on them in adverse weather conditions.

We have made major repairs to and replaced old and worn components relating to our 900 MHZ radio backup equipment at the Leisure Village East and the Shorrock Street Water Treatment Plant. It was the original radio system. There was nothing wrong with it other than wear and tear. It will be the backup for the new radio system.

We are preparing the Leisure Village East rehab, the Brick Township MUA water interconnect project and the Well #4 well site for SCADA and communications.

We are in the process of a field laptop overhaul, adding memory and switching to a 4G connection, which is the most practical and efficient way to greatly increase the speed of the off hours monitoring of the SCADA system by the field personnel. At the present time they are having a hard time getting on the computer. Sometime in the future the Authority will be replacing the laptops with more advanced technological equipment perhaps tablets.

In addition, we have created an administration building dedicated-monitoring system to keep track of real-time functioning of the links on our new antenna system. This system should be complete by the end of the week. There is a monitor set up in the office that keeps track of all the antenna links.

A new server-based antivirus security system has been installed over the last week. This replaces the outdated antivirus system that we previously had. All PC's as well as the server are scanned in realtime and are protected from viruses and malware from e-mails, internet and other points of ingress.

**XI. Commissioners' Report**

**XII. MEETING OPEN TO THE PUBLIC**

There was no response from the public.

**XIII. MEETING CLOSED TO THE PUBLIC**

**XIV. MOTION TO APPROVE THE OPERATING VOUCHERS**

A **motion** was made by Mr. Waxman and seconded by Mr. S. Flancbaum to approve the amended Operating Vouchers in the amended amount of \$1,144,547.40. On a **voice vote**, all members present voted, "**Aye**". **Motion passed.**

**XV. CLOSED SESSION**

A **motion** was made by Mr. Waxman and seconded by Mr. Sernotti to go into closed session at 10:40 A.M to discuss personnel. On a **voice vote**, all members present voted, "**Aye**".

**XVI. OPEN SESSION**

A **motion** was made by Mr. Waxman and seconded by Mr. Sernotti to go back into open session at 10:50 A.M. On a **voice vote**, all members present voted, "**Aye**".

Personnel issue was discussed in closed session. A decision was made based on recommendation from Lakewood Township not to allow buy backs of sick days since the Township does not allow it.

**XVII. 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 10:51 A.M.

Respectfully submitted,

Nancy Lapa,  
Secretary, LTMUA

# LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

390 NEW HAMPSHIRE AVENUE, LAKEWOOD, NEW JERSEY 08701  
PHONE (732) 363-4422 | FAX: (732) 905-0712 | WWW.LAKEWOODMUA.COM



## THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

### Regular Meeting Minutes

October 10, 2012

- I. Senator Singer opened the meeting at 1:03 P.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 10, 2012 and the Tri Town News on February 16, 2012.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**  
On the roll call the following Commissioners were present: Mr. Coles, Mr. Waxman, Mrs. Fish and Senator Singer. The following professionals were present: Mr. Norman Smith, Esq. and Mr. Gerwin Bauer, Jr., Auditor. Mr. Justin Flancbaum, Executive Director, Mr. Paul Morrill, Engineer, Mrs. Nancy Lapa, Secretary and Mr. Robert Farina, Instrumentation/IT Department Supervisor were in attendance.
- V. **Minutes**  
A motion to approve the minutes of the Regular Meeting on September 4, 2012, was made by Mr. Coles and seconded by Mr. Waxman. On a **voice vote**, all members present voted, "**Aye**". **Motion carried.**
- VI. **Accountant's Report**  
Mr. Bauer reported that the Budget is going well. He is working on the capital portion. He is working with Mr. Morrill on this. The accounting is up to date through August. With the increased revenue and usage, this year looks very promising. Mr. Bauer is hoping, but cannot guarantee, that it has increased enough to absorb the new hires and the increase in post-retirement benefits. Senator Singer said the capital part of the budget should be reviewed with the commissioners. Ask two of the commissioners to look at it and come back with recommendations.

Mr. Theibault arrived at 1:05 P.M. and was seated as an alternate.

Senator Singer asked Mr. Bauer if he had a chance to look at the letter from the Bond Counsel regarding adopting post bond issuance compliance measures and wanted to



know if this is necessary. Mr. Bauer said he would advise to do what it says. They really look at these low interest rates, and they can go even lower. Senator Singer said in the letter from the Bond Counsel they suggested that the Authority adopt a policy dealing with the bonds that is required by the IRS. The Bond Counsel has a template that the Authority can use at a cost of \$5,000. It was discussed with Mr. Smith whether he would want to create a policy template. Mr. Smith said he can do the research to create it, but it would not be money well spent for the Authority for him to do it. Senator Singer would like Mr. Bauer to look over the letter first to see if it necessary. Senator Singer said when the IRS goes over the forms and sees that the policy was not adopted and therefore not checked off on the form that we have the policy, it would create an automatic audit for the Authority. It would not be a problem for the Authority to have an audit. But it is more expensive to have an audit than to pay for this policy template. By next meeting we will have a resolution to adopt the policy.

Mr. Sernotti arrived at 1:07. Mr. Theibault is no longer seated as an alternate.

## **VII. Engineer's Report**

### **1. New Hampshire Avenue Treatment Plant**

- ☐ Resolution Awarding Change Order to Professional Services Contract
- ☐ Resolution Awarding Change Order #7 to Construction Contract

A letter was received from Hatch Mott MacDonald in August detailing requests for several increases for inspection services. They separated them into different categories at the Executive Director's request. One of the categories is for the work that is associated with the issue that we had with the filters. The amount is for \$72,500. Mr. Smith agrees that at this time it would be okay to go ahead and agree on this amount. Mrs. Lapa read **Resolution # 12-107 Authorizing Change Order Expansion and Upgrades to New Hampshire Avenue Water Treatment Plant**. Motion was made by Mr. Coles, seconded by Mr. Waxman. On **roll call**, all members present voted, "**Yes**". **Adopted**. The Change Order for the contractor in the amount of \$44,776 is for items that were already approved. This resolution is a formal approval. It includes approximately \$22,000 for the bathroom in the vehicle storage building. \$13,000 is for the changes to the Operations Building during construction. It also includes replacement of the exterior doors on the treatment plant. This Change Order also includes a \$15,000 credit for the deletion of some electronics. Mr. Smith agrees that at this time it would be okay to go ahead and agree on this amount. Mrs. Lapa read **Resolution # 12-108 Authorizing Change Order No. 7 Expansion and Upgrades to New Hampshire Avenue Water Treatment Plant**. Motion was made by Mr. Coles, seconded by Mrs. Fish. On **roll call**, all members present voted, "**Yes**". **Adopted**.

### **2. 216 Joe Parker Road 28 Lot**

- ☐ Resolution Granting Final Approval

In the packet on page seventeen is a letter dated October 2, 2012. The letter details the requirements that are still open for Technical and Final Approval. The granting of Final Approval today will be contingent upon them meeting all the requirements of the letter dated October 2, 2012. Mrs. Lapa read **Resolution # 12-109 Off Site Water Main Grant of Approval Joe Parker Road 28 Lot Subdivision**. Motion was made by Mr. Sernotti, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

### **3. Possible Abandonment of the Woodlake Pump Station**

- ☐ Resolution Ratifying Reduction in Cost

On August 7, 2012 the Authority approved to award Professional Services Contract to Van Cleef Engineering in the amount of \$49,500. They sent the Authority a revised proposal indicating that they felt that they can do their work for \$45,500. Mrs. Lapa read **Resolution # 12-110 Authorizing Change Order No. 1 Elimination 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**.

#### **4. Brick Township Municipal Utilities Authority Interconnections**

- ☐ Resolution Awarding Change Order #2 to Professional Services Contract

This Change Order is for Leon Avakian in the amount of \$4,369.50 for an increase needed for test pits. When they went out to do the test pits, they found that none of the mapping was accurate and the test pitting work was way above what they expected. We negotiated with them a price and this is what was settled upon. Mr. Waxman questioned whose fault is it? Mr. Morrill said that in order to create a set of drawings during construction to gather the information and not create Change Orders, they needed to do the test pits. Mr. Waxman asked if he is comfortable with this amount. Mr. Flancbaum said that this is a pass through of what the contractor charged them. Mr. Morrill said he is not happy about this but he is comfortable with the number. Senator Singer said that the Authority does not have the proper mapping because it is in the older part of the system. Mr. McGregor said that he was with them when they were doing the work. They found that the mark outs were more south than they thought when they dug it up. Also, it was seven feet deep instead of four feet deep. Mrs. Lapa read **Resolution # 12-111 Authorizing Change Order No. 2 and Extend Contract Interconnection Between LTMUA and BTMUA**. Motion was made by Mr. Coles, seconded by Mr. Waxman. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

#### **5. Well 2 Repairs**

- ☐ Resolution Awarding Professional Services Contract

Mr. Morrill said it was recommended and he thinks it would be prudent to pull the pump and motor for Well No. 2. The estimated cost for this would be between \$7,000 and \$10,000. They will also check to see how the gravel pack is doing. An attempt was made to install a probe so that we would be able to follow the gravel pack but it did not work out as hoped. The engineers estimated that the combination of the preparation of the plans and specifications and also inspection and writing up the report would total approximately \$4,500. This resolution would award a professional services contract of \$4,500 to Hatch Mott MacDonald for the engineering work. Mrs. Lapa read **Resolution # 12-112 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1, et seq.** Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

#### **6. Administration Building Landscaping and Irrigation Work**

- ☐ Resolution Awarding Contract

On September 7, 2012 a Request For Proposals was issued. On September 21, 2012 one proposal was received from Meticulous Landscaping in the amount of \$7,800. The engineer reviewed it and it did seem reasonable. Mr. Morrill said this is for irrigation and landscaping. Mrs. Lapa read **Resolution # 12-113 Awarding Contract Irrigation Services for the Administration Building**. Motion was made by Mr. Sernotti, seconded by Mrs. Fish. On **roll call**, Mr. Sernotti, Mr. Coles, Mr. Waxman and Mrs. Fish voted, "**Yes**". Senator Singer abstained. **Adopted**.

#### **7. Cellular Antennas – Project Status**

The antennas for Verizon have been mounted on the Airport Road Storage Tank. Some of the work for Sprint has been mounted on the tank, but not the antennas or cables. There is no electricity at the tank. The Electric Company has not been cooperating. Senator Singer asked why he was not called if there were problems. Mr. Morrill said that they were threatened and they responded. Mr. Flancbaum sent a letter to Sprint reminding them that their lease began thirty days after their construction permit was issued. They have acknowledged the fact and are in the process of issuing a check. On September 17, 2012 the Authority received a proposal for engineering services from Remington Vernick and Vena for rebidding the Ridge Avenue Tank in the amount of \$12,400. Mr. Flancbaum and Mr. Morrill would like to wait on this until there is a meeting with Verizon. The attorney issued a letter on September 25, 2012 to T-Mobile terminating their bid that the Authority received earlier.

#### **8. Pine River Village – Project Status**

Mr. Morrill said that the Authority has received calls from Pine River Village Office stating that they are not happy with the amount of money they were paying on the inspection. We have done our best to keep those numbers down. We greatly reduced our inspection. We went out to look at one the meters that they was going in and found out that the contractors were using the Authority's fire hydrant. Now the Authority's inspector has been authorized to pass through the site twice a week. When they were told that that the water was being used, they said they did know anything about it. We told them that if they cannot monitor it, then the Authority will have our people monitor it. Senator Singer said that they are in violation. Mr. Waxman said that it is their responsibility. Senator Singer said that they were upset about our inspectors and being overbilled. Senator Singer asked Mr. Flancbaum to find another inspector and give him a small project. Then compare the cost factor and time. They claim that our inspector is there a whole day and really should only be there for a half of a day. Senator Singer asked Pine River Village which day was he there for more than needed and they could not tell. They have a complaint against the Authority. So we want to verify the complaint factors so we do not have to hear this from someone else. Mr. Coles asked if we have audited the inspector's timesheets to see when he has been out there. Mr. Flancbaum said yes and we provided it to them. Senator Singer said they claim that he doing one inspection and because he has nothing else to do in the area he stays there a whole day and other inspectors come and then leave for another job and then come back. Mr. Coles said if the Authority is auditing his timesheets, we know how many inspections he is doing and how much to bill them. Senator Singer said they claim that he does not have to be there as long as he does. Mr. Flancbaum said that the Authority sent them all the timesheets and logs. If he says he was there from nine o'clock till twelve o'clock and you can tell me he was not there from nine o'clock till twelve o'clock and you have a witness, then there is something. Mr. Coles asked if we have a way of telling if a guy says that he was there for three hours that he had enough work for three hours. Mr. Flancbaum said the inspector comes here to the Authority and tells us where he is going. At the end of the day he brings his logs back. Senator Singer said that the economic times are making everyone more careful. Mr. Coles said that the Authority should be able to know if our guys are not doing what they are supposed to be doing. Senator Singer said what they are arguing about is arbitrary. They said that he does not have to there and the inspector says he has to be there when they are doing those things. Mr. Coles said as long as the Authority's workers turn in the proper documentation. Mr. Flancbaum said that they withheld payments. Mr. Waxman asked if there is a penalty for using the fire hydrant. Senator Singer said the penalty would be to go find out who did it and we have no way of monitoring how much was used. Senator Singer asked if he thinks the Authority should create a fine system. Mr. Waxman asked if a letter can be sent to them saying that if the Authority finds out who it is, there will be

criminal charges. Mr. Smith said that the Authority can send such a letter if they would like to. Senator Singer said it would cost more to have the letter sent than we would get back in water. Mr. Waxman asked how do we know that they are not stealing from the hydrants now. Senator Singer said that we go by the area and keep an eye on them. The Authority has a certain amount of thefts from hydrants on a regular basis. We cannot put cameras on them, because there are too many of them. It is a natural phenomenon, people steal from hydrants. There is also a certain amount of leakage in the system that is a loss for the Authority. If we see who is stealing the water we can prosecute. It is done at night many times. Mr. Morrill said it is typically the masons that steal the water.

Mr. S. Flancbaum arrived at 1:20 P.M.

#### **9. As-Built Drawings for Residential Applications – Project Status**

This will be discussed on the Executive Director's agenda.

### **VIII. Attorney's Report**

Mr. Smith said he attended a return date on the Order To Show Cause on the Turnpike Authority condemnation. Judge Grasso brought the Attorney General, Wolff Samson the attorney that represents the Turnpike Authority, the Lakewood Township attorney, the Lakewood Industrial Commission attorney and me into the Chambers. Mr. Smith said that he attended to protect the Authority's structure. He has a letter from Mr. Morrill stating that what the Turnpike Authority is seeking to take does not have within it facilities or easements of the Authority. Although, the blocks and lots that they are part of do have facilities and easements of the Authority. Mr. Smith wants to make sure that when they go to construct on those narrow strips that they are taking they do not somehow damage, block or destroy what the Authority has there. The Attorney General is still opposing it, which is a remarkable situation. Mr. Smith found out when he was that what their legal position is. Apparently, three of the lots should be owned by the State. Two of them were conveyed by the Township of Lakewood to the State. There was an Ordinance adopted authorizing the conveyance of three lots, but only two were. The State is very jurisdictionally protective of the rule of law that says that the Turnpike Authority cannot acquire by condemnation anything on State property. Mr. Smith said that it seems to him that there is another agenda in there and cannot believe the State is arguing with them. The Judge said they should all communicate and then come back in thirty days. He suggests that they settle these issues immediately. Senator Singer asked if there is any reason these issues cannot get settled. Mr. Smith said we can settle it. Mr. Smith said that if a right of access is needed he would recommend to the Authority to sign a right of access as long as they do not damage or block near the Authority's facilities. They agreed to it. It will be worked out. The Judge told Mr. Smith that he should write something up with Wolff Samson that will memorialize the agreement. It will be done this week or next week. The Attorney General is digging in his heels. He was instructed by Judge Grasso to settle his issues.

### **IX. Executive Director's Report**

#### **1. Resolution to award contract to GTS Consultants for preparation of As-Built for new residential connections**

Every year the Authority receives a handful of requests from homeowners to connect into the system. The Authority has not been doing as-builts for these new connections. With the gradual implementation of our GIS System, as homeowners connect to our system the Authority would do as-builts which gives information on new connections showing curb stops, clean outs, and pipe locations. When a homeowner submits an

application, the fee is \$40.00. The homeowner also pays \$2800 water connection fees and \$1400 sewer connection fees. The proposed cost from GTS Consultants for an as-built is \$904.50 per connection. This includes an inspector, survey crew, and a CADD tech to overlay the data into GIS format. Mr. Flancbaum explained this is applicable to a handful of new homeowners a year. On new construction as built are given to the Authority. It is important for the Authority to have as built with the implementation of the GIS System. Senator Singer said that the Authority needs to absorb this cost. Senator Singer asked Mr. Morrill if he thinks this is fair. Mr. Morrill said the numbers are legitimate. Mrs. Lapa read **Resolution # 12-114 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1, et seq.** Motion was made by Mr. Sernotti, seconded by Mr. Coles. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

**2. Resolution to Award Contract Remington Vernick and Vena Engineers for public noticing services for chloramine disinfection**

The Authority is purchasing water from Brick Township MUA. The Brick Township MUA utilizes chloramines as a disinfectant in their water supply. Chloramine is a by-product of ammonia. With chloramine in our water system, we are required to notify our customers, particularly renal centers and aquarium owners that chloramine will be introduced into our system. A different type of treatment has to be put in the aquariums so the fish do not die. The Authority asked Remington Vernick and Vena Engineers for a proposal to research what type of notification is necessary, to give us a draft notice and to whom we are required to notify. They will send out the notice. The Authority received a proposal from them with total cost of services not to exceed \$5,000. Senator Singer said that this is necessary. There are very expensive fish costing thousands of dollars and we do not want them coming to the Authority that they died and a bill. Mr. Coles recommended we find out from Brick Township MUA how they notify their customers. Senator Singer said we need Remington Vernick and Vena to identify who needs to be notified. Mr. Bauer questioned how do you know who has aquariums. Mr. Flancbaum said that the regulations are complicated. Senator Singer said the situation here is not that a note can be sent out to everyone and that is all that needs to be done. It has to be done the right way. Mr. Flancbaum said that we got from Brick Township MUA what they sent out in 2004, but things may have changed since then and there are particular requirements. It is in the best interest of the Authority to have it researched now and the Authority does it right. Mr. Flancbaum would like to note that if there will be a bulk mailing to the customers others than the renal centers and aquarium owners identified in the proposal, the postage for that bulk mailing would not be included in this proposal. Mrs. Lapa read **Resolution # 12-115 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1, et seq.** Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

**3. Resolution to Award Contract to Meticulous Landscaping, Inc. for irrigation services – Was discussed in the engineer's agenda.**

**4. Resolution to approve change order to Hatch Mott MacDonald for Contract 17- Construction Observation Budget-New Hampshire Avenue Water Treatment Plant expansion and upgrades - Was discussed in the engineer's agenda.**

**5. Website Redesign**

Mr. Flancbaum said that he thinks the Authority's website needs to be refreshed and brought up to date. He would like it to be more user-friendly. Mr. Flancbaum has a prototype of what he would envision the website to look like. The prototype was brought

up on the screen and a copy was handed out to everyone. It has a lot more information right there without scrolling down. It has the emergency number to call right there. Mr. Flancbaum contacted Duvy's Media. Duvy's Media did the Township's website. Duvy's Media will give us a proposal to redesign the website.

**6. Cell Lease Purchase**

The second closing on the cell leasing purchase took place. It was for approximately \$220,000. The company that purchased the lease easement cannot actually take ownership of the easement until the radio signal is live. The radio signal is not live yet. Mr. Smith has the money in escrow. As soon as it is completed the money will be released to the Authority's account.

**X. Instrumentation/IT Department Report**

Mr. Farina reported that the replacement of the radio/antenna for the Shorrock Street link has been installed and tested. As of late last week, the communications system has been switched totally onto the new equipment. We do have an equipment failure which New Jersey Business System is aware of and is in the process of addressing. There are still two outstanding links that must be built and completed before the radio/antenna work can be said to be officially completed. New Jersey Business System has further testing to do at the two sites which are Well No. 2 in the Original Leisure Village and Well No. 3 on Towbin Avenue.

In a related matter, we are reviewing an additional contractor to give us a radio/antenna service contract quote in addition to New Jersey Business System.

So far the Authority has received two quotes for the security and fire alarm installations for the Vehicle Storage Building, Well No. 7, Well No. 17 and the Filter plant buildings. The first quote was received from Underground Utilities Corporation. The second quote was received from System Sales Corporation. Their quote was approximately two third less than the quote we received from Underground Utilities Corporation. The Authority will be getting a third quote from Heim Electronics, Incorporated.

Work is continuing with respect to the SCADA automation of the water treatment plant. Most problems with the programming are being worked out. Although we still have some problems that need to be rectified. One issue we are having is the Variable Speed Drives that had defective parts. We are waiting to get them from the manufacturer.

We have implemented a network attached storage system to create secure, encrypted backups of all the SCADA computers on a nightly basis. This is stored in the administration building. This ensures a second layer of disaster prevention with the manual backups we do before instituting any major changes to the system.

We have also streamlined the process of performing remote emergency maintenance on the office computers. In addition, we have upgraded the air cards and processors on the field laptops in order to assure quick and reliable connections to the SCADA system during off hours.

**XI. Commissioners' Report**

Senator Singer said he noticed the walkways and the new entrance was done. He hopes that there will be better signage. Senator Singer wanted to know in general, how this project is coming along. Mr. Morrill said the project is slightly behind schedule. The project was supposed to be completed at this time. They say that the paving will be done in two weeks. Mr. Morrill thinks that the paving will probably be completed by next

month's meeting. Senator Singer asked if all the buildings are secure. Mr. Morrill responded that all the buildings are secure at this time. Senator Singer asked if the heat is in. Mr. Morrill said no. Senator Singer said he is saying it now, and has been saying this for months. There might be a cold snap in November and then there will be problems. The contractor has to be put on notice. Mr. Morrill said he has been telling this to him for three months. Senator Singer said that we deal with water over here. It will be a mess here. Senator Singer said he wants to keep the Authority out of a mess. Mr. Morrill said we will provide temporary heat until we have permanent heat in place. Senator Singer said there are plenty of heating companies around, why could it not be done. Mr. Morrill said he does not know why. Senator Singer if you need to, bring the contractor to the next meeting. Put him on notice. The Authority was promised that it will be done already. Senator Singer asked how the drainage was after the last rain storm. Mr. McGregor said it is a lot better than before. Mr. Morrill said there is still some stabilization that is going on to get the grass growing in certain areas. Senator Singer asked if the parking lot was clean and if there was any puddling. Mr. Morrill said there was not any significant puddling. Senator Singer said that if more drainage is needed; put it in now before the top coat is put down. Also, it needs to have the top coat down in order to plow properly this winter in case of a snow storm. We should think about having Mr. Smith send him a letter stating that if there is a problem with the plowing this winter or a freeze up, he will be responsible. Mr. McGregor said that he sent the contractor an email yesterday, saying almost exactly what Senator Singer expressed earlier. Senator Singer asked if there is anything that he is happy with this project. Mr. Morrill said that the quality of work is very good and he is very happy with it. It just takes a while to get things done. They have an extremely qualified crew. Whenever they have materials, it goes in immediately. The problem is getting the materials to the site. Senator Singer said he is happy to hear that. Mr. Morrill said that the heating unit is in but they do not have the control panel to turn it on. Apparently, they had to design the control panel and then get it approved. Senator Singer said to make sure to stay on top of the situation with the heat and the general cleanup of the area. He likes the additional parking here and the sidewalk is good for walk in customers.

Mr. Theibault said that the seeding should be fertilized again. He also wanted to know if the irrigation system is being put in by Meticulous Landscaping under their contract. Mr. Flancbaum said yes. Mr. Theibault said can it be put in before we award the contract? Mr. Flancbaum said that a phone poll was done after the opening was held for the request for proposals. Mr. Morrill said that he should have said that this is not awarding the contract; it was ratifying the phone poll.

**XII. MEETING OPEN TO THE PUBLIC**

There was no response from the public.

**XIII. MEETING CLOSED TO THE PUBLIC**

**XIV. MOTION TO APPROVE THE OPERATING VOUCHERS**

A **motion** was made by Mr. Waxman and seconded by Mrs. Fish to approve the amended Operating Vouchers in the amended amount of \$899,254.90. On a **voice vote**, all members present voted, "**Aye**". **Motion passed.**

**XV. CLOSED SESSION**

**XVI. OPEN SESSION**

**XVII. ADJOURNMENT**

A motion was made by Mr. Coles, seconded by Mr. Waxman to adjourn meeting. On a voice vote, all members present voted, "Aye". The meeting was adjourned at 1:50 P.M.

Respectfully submitted,

Nancy Lapa,  
Secretary, LTMUA



# LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

390 NEW HAMPSHIRE AVENUE, LAKEWOOD, NEW JERSEY 08701  
PHONE (732) 363-4422 | FAX: (732) 905-0712 | WWW.LAKEWOODMUA.COM



## THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

**REGULAR MEETING**

**November 7, 2012**

### **AGENDA**

- I. **The Chairman** opens the meeting in the Conference Room of the Lakewood Township Municipal Utilities Authority, 390 New Hampshire Avenue, Lakewood, New Jersey.
- II. **The Chairman** announces that in accordance with Chapter 231, Public Law, adequate notice of this meeting was given and that a notice of this meeting was filed with the Township Clerk and posted in the Municipal Building in a place accessible to the public and by means of a public notice in the Asbury Park Press on February 10, 2012 and The Tri-Town News on February 16, 2012.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioner**
- V. **Minutes**  
Motion to approve the minutes of the Regular Meeting held on October 10, 2012.
- VI. **Accountant's Report**
- VII. **Engineer's Report**
  1. New Hampshire Avenue Treatment Plant
    - ☐ Resolution Awarding Change Order #8 to Construction Contract

2. Meter Replacement Phase 2
  - ☐ Resolution Awarding Change Order #2
3. Lakewood Toyota Dealership
  - ☐ Resolution Reducing Performance Guarantees
4. RFQs for Engineering Services for Calendar Year 2013
  - ☐ Authorization to issue Request for Qualifications
5. Bids for Chemicals and Cold Water meters for Calendar Years 2013-2014
  - ☐ Authorization to Bid
6. Competitive Contracting for Water Testing Services
  - ☐ Authorization to issue Request for Proposals

**VIII. Attorney's Report**

**IX. Executive Director's Report**

1. Hurricane Sandy update
2. Resolution accepting fee agreement with Gluck Walrath LLP and adopting Post Issuance Tax Compliance Procedures
3. Briefing on discussion with NJ American Water Co. regarding sewer interconnection on Chestnut St.
4. Closed Session; Personnel

**X. Instrumentation/IT Department Report**

**XI. Commissioner's Report**

**XII. Meeting is Opened to the Public**

**XIII. Meeting is Closed to the Public**

**XIV. Motion to Approve the Operating Vouchers**

**XV. Adjournment**

# LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

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PHONE (732) 363-4422 | FAX: (732) 905-0712 | WWW.LAKEWOODMUA.COM



## THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

### Regular Meeting Minutes

December 4, 2012

- I. Senator Singer opened the meeting at 10:08 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 10, 2012 and the Tri Town News on February 16, 2012.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**  
On the roll call the following Commissioners were present: Mr. Theibault, Mr. Sernotti, Mr. Coles, Mr. Waxman and Senator Singer. Mr. Theibault was seated as an alternate. The following professional was present: Mr. Norman Smith, Esq. Mr. Justin Flancbaum, Executive Director, Mr. Paul Morrill, Engineer, Mrs. Nancy Lapa, Secretary and Mr. Robert Farina, Instrumentation/IT Department Supervisor were in attendance.
- V. **Minutes**  
A **motion** to approve the minutes of the Regular Meeting on November 7, 2012, was made by Mr. Waxman and seconded by Mr. Coles. On a **voice vote**, all members present voted, "**Aye**". **Motion carried.**
- VI. **Accountant's Report**  
There was none.
- VII. **Engineer's Report**
  1. **Bureau of Safe Drinking Water Master Permit Update 2013**
    - ☐ Resolution for Professional Services Contract  
This is a contract with Hatch Mott MacDonald to update the Water Master Permit. The amount is a lump sum of \$4,700. This is the same amount as last year. There is no increase. Mrs. Lapa read **Resolution # 12-121 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A.**

**40A:11-4.1, et seq.** Motion was made by Mr. Coles, seconded by Mr. Sernotti. On roll call, all members present voted, "Yes". **Adopted.**

## **2. Hydraulic Modeling for 2013**

- ☐ Resolution for Professional Services Contract

This is for hydraulic modeling for use by developers if they wish. It is purely voluntary if the contractors want to use the services. On page three in the packet is a letter dated November 15, 2012 with the amounts listed. They are the same amounts as last year.

At 10:10 A.M. Mr. Sam Flancbaum has arrived.

Mrs. Lapa read **Resolution # 12-122 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1, et seq.** Motion was made by Mr. Coles, seconded by Mr. Sernotti. On roll call, all members present voted, "Yes". **Adopted.**

## **3. Field Locate and Mapping of Authority Infrastructure**

- ☐ Resolution for Professional Services Contract (OLV)
- ☐ Resolution for Professional Services Contract (LVE)

This is for clean outs and curb stops in Original Leisure Village and Leisure Village East. There are two separate resolutions one for each area. This will cover around only ten percent of the Villages. This is a test to see how hard it will be to update the mapping. For Original Leisure Village the cost will not exceed \$9,970.00 for 220 units. For Leisure Village East the cost will not exceed \$7,095.00 for 155 units. Senator Singer explained that before the Authority was formed, the water and sewer of the Villages was owned by Leisure Technology. They did not keep good records of the utilities. When it was sold to the Township, there was not good mapping for the Villages. Now that the water and sewer lines are aging there are more and more problems in the Villages.

Mrs. Fish arrived at 10:12 A.M. Mr. Theibault is no longer seated as an alternate.

Mrs. Lapa read **Resolution # 12-123 Awarding Professional Services Contract Without Public Bidding Pursuant to N.J.S.A. 40A:11-4.1, et seq.** Motion was made by Mr. Coles, seconded by Mr. Waxman. On roll call, all members present voted, "Yes". **Adopted.** Mrs. Lapa read **Resolution # 12-124 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 roll call, all members present voted, "Yes". **Adopted.**

## **4. Well 2 Repairs for Gravel Work**

- ☐ Resolution Awarding Contract

At last month's meeting the engineering services was approved. The proposals were received on November 15, 2012. There is a letter in your packet on November 16, 2012 from Hatch Mott MacDonald. Two proposals were received on the due date. The lowest was from William Stothoff and Company. On November 20, 2012 another proposal was received. It was rejected due to the late date of receipt. The bid was for \$11,920.00. This is to remove the pump and motor. It is also to check the gravel pack. The gravel pack should be checked

due to the history of Well No. 2. Mrs. Lapa read **Resolution # 12-125 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 Mrs. Fish. On **roll call**, all members present voted, "**Yes**". **Adopted.**

#### 5. Route 88 73 Unit Development

- ☐ Resolution Reducing Performance Guarantees

In the packet there are several letters. The most important letter is on page twelve. The letter details the release of the Guarantee for Off Site Sanitary Sewer, not for the on-site utilities. The Authority is releasing seventy percent which is the maximum. There is a punch list and it will be covered by the thirty percent of Guarantee that is not being released. It is contingent on their escrow account, which is detailed in the letter on page ten. Mrs. Lapa read **Resolution # 12-126 Reduction Of Performance Guarantees Water And Sewer Systems Route 88 Acquisitions LLC.** Motion was made by Mr. Sernotti, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

#### 6. Aspen Road 20 Unit Subdivision

- ☐ Resolution Reducing Performance Guarantees

In the packet is a request for the Guarantee reduction. There is also a letter on page sixteen, dated November 15, 2012 indicating what is being released and what is being retained. Both the Cash Guarantees and Performance Guarantees are being reduced by seventy percent. Mrs. Lapa read **Resolution # 12-127 Reduction Of Performance Guarantees Water And Sewer Systems S&H Builders LLC.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

#### 7. Temple Route 70 and Paco Way

- ☐ Resolution Releasing Maintenance Guarantees

In the packet on page twenty one is a letter requesting the release. On page twenty two is the Authority's letter responding that the Guarantee can be released on December 31, 2012 contingent on having their escrow account up to date. Their escrow account is in arrears only by the current amount which is hundreds of dollars. Mrs. Lapa read **Resolution # 12-128 Release Of Maintenance Guarantees Temple Beth Am.** Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **voice vote**, Mr. Sernotti, Mr. Coles, Mr. Waxman and Mrs. Fish voted, "**Aye**". Senator Singer abstained. **Adopted.**

#### 8. Woodlake Sanitary Sewer Improvements

- ☐ Resolution Authorizing the Developer to Commence Construction

These are improvements that are required for the capacity issues around the Woodlake Pump Station Area. There are still some items that need to be done. This will authorize them to proceed with construction once all the contingency items have been taken care of. This is in accordance with the Developer's Agreement. Mrs. Lapa read **Resolution # 12-129 Resolution Authorizing The Developer To Commence Construction.** Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

#### 9. Redevelopment of Wells #16, #9, and #10

- ☐ Resolution Awarding Change Order #1
- ☐ Resolution Releasing Performance Guarantee and Accepting Maintenance Guarantee

The resolution for Change Order No. 1 is in the amount of \$2,287. This is for the redevelopment of Wells No. 9, 10 & 16. The Change Order is due to the fact that there is a little extra work that needs to be done. When things were pulled out, a pipe was cracked and it needed to be replaced. There are also some other minor items that need to be done. Mr. Morrill recommends that the resolution be passed. Senator Singer stepped out of the room at this time. Mrs. Lapa read **Resolution # 12-130 Authorizing Change Order No. 1 and Extend Contract.** Motion was made by Mr. Coles, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

Senator Singer returned to the room at this time. The next resolution is a resolution releasing the Performance Guarantee held by the Authority for the well driller and accepting their Maintenance Guarantee. This is as per recommendation of the engineer in a letter to the Authority. Mrs. Lapa read **Resolution # 12-131 Release Of Performance Guarantees Redevelopment of Wells Nos. 9, 10 And 16.** Motion was made by Mr. Sernotti, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

#### **10. Update of Rules and Regulations**

- ☐ Motion to Approve Changes to the Authority's Rules and Regulations

In the packet on pages thirty one and thirty two are the details. The Authority will be changing from using wood skids to stainless steel and poly skids. A **motion** to approve changes to the Authority's Rules and Regulations was made by Mr. Coles, seconded by Mrs. Fish. On **roll call**, all members present voted, "**Yes**". **Motion passed.**

#### **11. Bids for Maintenance and Repair of Authority Systems**

- ☐ Authorization to Bid

This is authorizing the Authority to receive bids. Mr. Morrill said that he will be preparing the bid specifications. A **motion** to authorize the Authority to received bids made by Mr. Coles, seconded by Mr. Sernotti. On a **voice vote**, all members present voted, "**Aye**". **Motion passed.**

#### **VIII. Attorney's Report**

Mr. Smith had an item he wanted to bring to the attention of the Authority. One of the sub-contractors for the New Hampshire Avenue Treatment Plant Project has filed a Mechanics Lien. They are having a dispute with the contractor with how much is owed. There is a difference of interpretation as what their agreement said with the sub-contractor. Underground Utilities did not pay what the sub-contractor feels he is owed and the sub-contractor would not take any payment. The sub-contractor filed a Mechanics Lien. A Mechanics Lien can be put on a private property. It puts the property owner on notice that they are responsible. However, it is totally inappropriate in the case of a government agency. There were several rounds of telephone conversations and emails with all the various parties. Senator Singer said that the bonding company should be notified. If that does not work, notify the person that filed the lien. If the lien is not lifted, the Authority will sue them for damages. The damages are the Attorney's costs. Mr.

Smith said the bonding company was notified. Mr. Smith said that the Authority has a Performance Bond from the contractor. This is an issue for the bonding company to resolve. The bonding company has not resolved it as of yet. Senator Singer explained that the dispute is over \$9,000. The contractor said that he will pay the \$62,000, the amount that the contractor thinks is the correct amount, and then we can discuss the \$9,000. The sub-contractor would not take any money. The Authority offered to pay the sub-contractor \$62,000 directly. It would be paid in a way that would be based on the contractual agreement with the contractor. They would not accept that. Mr. Smith said he will follow up with the bonding company. If they will not take care of it, Mr. Smith said he will need permission of the Commissioners to file an Order To Show Cause to have the lien removed.

**IX. Executive Director's Report**

**1. Resolution awarding Risk Management Agreement to Connor Strong & Buckelew**

The fee for the Risk Management Agreement is calculated at six percent of our annual JIF assessment. The 2013 fee is \$4,257.79. Mrs. Lapa read **Resolution # 12-132 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. Coles. On **roll call**, all members present voted, **"Yes"**. **Adopted**.

**2. Municipal Tax Sale Results**

Approximately \$65,000 in delinquent balances was collected at the tax sale that took place last week. The Authority was owed approximately \$80,000 when initial tax sale notices were sent out. \$15,000 was paid before the sale. Mr. Flancbaum said that the Tax Collector was cooperative. Senator Singer said that now the amount of delinquent accounts is within reason.

**3. Authorization to bid; Snowplowing Contract**

Now that the main parking lot was expanded, there is a lot more area that needs to be plowed. Mr. Flancbaum said it was recommended that an outside contractor be on call to plow the main parking lot so that the Authority employees can focus on plowing the other locations. Senator Singer said that the Authority did not want to burden the Township with helping with the plowing. The Authority has to be done first as a priority and the Township has too many priorities. If there will be a heavy snow, the Authority's pickup trucks will not be able to take care of it. If the Authority has a contract with a company to plow the main parking lot, it is their responsibility to clean it and then the Authority will be in full operation right away. The Authority plows will be able to plow the smaller facilities. A **motion** to authorize the Authority to received bids made by Mr. Coles, seconded by Mr. Waxman. On a **voice vote**, all members present voted, **"Aye"**. **Motion passed**.

**4. Easement negotiations-Calvary Lighthouse**

The appraisal the Authority received a few months ago was for \$99,600 as a value to acquire the easement on their property. The appraisal that Calvary Lighthouse got was for \$210,000. Their appraisal is currently under review by Mr. Smith. Mr. Smith said that he is reviewing it with Tony Graziano, the appraiser that the Authority used. Calvary Lighthouse did not use a certified appraiser.

They used a real estate broker. Their appraisal is way off base. Mr. Smith said that if they cannot get Calvary Lighthouse to agree to a reasonable appraisal he will have to condemn it. Senator Singer said the Authority cannot agree to an appraisal by a real estate broker. Being that we are a government agency it has to a certified appraisal and they have to use a commercial appraiser. Mr. S. Flancbaum questioned how come we reviewed their appraisal if it was not from a certified appraiser. Senator Singer said the Authority wanted to show them the courtesy of looking at what they did and spent time on. The Authority bends over backwards for all the religious groups in town and this is a religious group and he wants to make sure that the Authority bends over backwards for them and make sure it is done fairly. Mr. Theibault questioned if they have an appraiser with credentials and there still is a discrepancy, what happens then. Senator Singer said that when there are appraisals done in government there is usually a discrepancy, one is higher and one is lower. Usually there is a meeting ground. Legally, the Authority can pay the higher of the two appraisals. The Authority can also negotiate and meet in the middle. But they do not have a certified appraiser. In many cases, the Authority does pay the higher of the two, if the Authority feels it is reasonable. But usually the two numbers are closer. Mr. Smith said the usual difference is ten to twenty percent maximum. Their appraisal is one hundred percent differential. Mr. Flancbaum said after Mr. Smith reviews their appraisal he will get back to them.

**5. Authorization to place old vehicles for sale on [www.govdeals.com](http://www.govdeals.com)**

The Authority has three old vehicles which need extensive repairs and have high mileage. At this point Mr. Flancbaum thinks the Authority should get rid of them. Mr. Flancbaum would like authorization to place the vehicles on a website, [govdeals.com](http://govdeals.com). It is an auction website that other government entities can go on. These vehicles are at least ten years old and have high mileage. There are two pickup trucks and a 4x4 Blazer. Senator Singer said that maybe first the Authority should check with the Townships' Office of Emergency Management to see if they can use them. Senator Singer asked Mr. Smith if the Authority can give the trucks to the Township. Mr. Smith said that the Authority can give it to the Township. Senator Singer suggested that before placing the vehicles on the website the Authority should ask the OEM if they would like the vehicles. If the OEM does not want the vehicles, then it could be placed on the [govdeals.com](http://govdeals.com) website. Mr. Flancbaum said he will forward the vehicle information to Mr. Coles to present to the OEM.

Mr. Flancbaum wanted to inform the commissioners that the Authority further reduced the general engineering costs this past fiscal year by about twenty percent, which is what the Authority has been doing over the last couple of years. The Authority saved around \$10,000.

**X. Instrumentation/IT Department Report**

Mr. Farina reported that all the current equipment problems have been resolved with the variable speed drives in the Operations Building and the Filter Plant. There is only one outstanding wiring issue with drain valves that will be addressed by the end of this week. Then we will be able to enable the integrator to move forward with the plant automation process.



The programming process is moving along. We are also building replacement RTU panels to replace the current Bristol Babcock equipment with the GE equipment that will be used as a standard throughout the Authority's operation.

We have solicited two potential replacement vendors to assist us with our microwave antenna system issues while still attempting to have the current contractor rectify the problems that plague us.

The installation of the main trunk line of the fiber optic line for the Pine Street and the Ball Field well sites is now completed. The contractor is due back today to begin tying in Well No. 4 and 5 to the main trunk.

There is a meeting scheduled for Thursday with Duvys Media, a local web design firm that created the Township website, to get proposals. They will present proposals for an updated website or for simply a customer notification system.

The Authority again is participating in the New Jersey State Police Essential Employee program for the year 2013. The paperwork is finished and the employees received the ID's. This allows all Authority employees to only travel to and from work during State and Federal road closures. In addition, the Authority has enrolled in the resource directory database that helps coordinate information and assets with other local utilities.

## **XI. Commissioners' Report**

Senator Singer has requested and permission was granted that Mr. Flancbaum sit on the OEM Board of Lakewood Township. The Authority is a utility provider and has certain needs and should be part of the emergency management system.

Senator Singer said the Authority's staff did an outstanding job during Hurricane Sandy and he thanks them very much. The Authority has two portable generators. Senator Singer said we have to make a reassessment on it. Senator Singer has a concern. There are generators at all the facilities. Some generators can be plugged in to natural gas. Some are too large for natural gas and are powered by either propane gas or diesel gas. There is enough propane gas and diesel gas at those sites to last seven to ten days should the generators be needed. Senator Singer is concerned if there is a problem at one of the sites with the larger generators, the Authority does not have a large enough generator at the New Hampshire Avenue Plant to bring over there. The Authority may have to buy a portable generator to be used here in case a major facility goes down and we can bring a generator over there and keep it in operation. Another option would be for the Authority to rent one. They are very expensive and can cost \$5,000 a day to rent. Mr. Morrill should be involved in doing an analysis to see what should be done, to buy or to have a contract with a company for a generator rental.

Conversation took place of different utility companies and hospitals did not fare well during storm and how the Authority has to learn from them to be prepared properly.

Mr. Theibault questioned if the landscaping is done. Mr. Flancbaum said it is done. Mr. Theibault questioned if there will be trees in the islands. Mr. Flancbaum said it was decided to put stones down on the islands. A gap was made from the top of the stone to the top of the curb so there should not be stones in the parking lot. Irrigation was done. The shrubs have been planted up front. There are two pillars that still need to be built and Bob Kraft said he will send someone out today or tomorrow to take care of. Mr. Waxman questioned about the railing. Mr. Flancbaum said the railing was kept separate from the landscaping. There are a few places where there will be railings. Senator Singer said that in the spring we can take a look if there is more to be done. A fair amount of money was spent on landscaping and due to economic climate it was kept down to a minimum. Mr. Theibault said that there may be an opportunity with the Shade Tree Commission to bring in some trees. Senator Singer thanked Mr. Theibault for the offer.

**XII. MEETING OPEN TO THE PUBLIC**

There was no response from the public.

**XIII. MEETING CLOSED TO THE PUBLIC**

**XIV. MOTION TO APPROVE THE OPERATING VOUCHERS**

A **motion** was made by Mr. Coles and seconded by Mr. Sernotti to approve the Operating Vouchers in the amended amount of \$1,454,175.35. On a **voice vote**, all members present voted, "**Aye**". **Motion passed.**

**XV. CLOSED SESSION**

**XVI. OPEN SESSION**

**XVII. ADJOURNMENT**

A **motion** was made by Mr. Coles, seconded by Mr. Waxman to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 10:41 A.M.

Respectfully submitted,

Nancy Lapa,  
Secretary, LTMUA