



Board of Commissioners

Senator Robert Singer, Chairman

Raymond Coles, Vice Chairman

Anne Fish, Treasurer

Samuel Flancbaum, Assistant Secretary

Michael Sernotti, Commissioner

Craig Theibault, Alt. Commissioner

P. G. Waxman, Commissioner

THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Regular Meeting Minutes

December 1, 2015

- 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 6, 2015 and The Tri Town News on February 11, 2015.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**
On the roll call the following Commissioners were present: Mr. Sernotti, Mr. Coles, Mr. Waxman, and Senator Singer. The following professionals and key personnel were present: Mr. Norman Smith, Esq., Mr. Gerwin Bauer, Jr, Auditor, Mr. Justin Flancbaum, Executive Director, Mr. Daniel Rappoccio, CFO, Mr. Paul Morrill, P. E., Mr. Robert Farina, Instrumentation Department Supervisor and Mrs. Nechama Lapa, Secretary.
- V. **Minutes**
A **motion** to approve the minutes of the Regular Meeting held on November 10, 2015, was made by Mr. Coles and seconded by Mr. Waxman. On a **voice vote** all members present voted "**Aye**". **Motion carried.**
- VI. **Chief Financial Officer Report**
 1. **Financial Results Review for November 30, 2015**
The Authorities net position for the period ending November 30, 2015 is approximately \$202,000.00 which is \$66,000.00 ahead of the Budget. The Operating Revenue is \$723,000.00. This is higher than the budget by \$54,000.00 and being driven by connection fees. The Authority has surpassed the Connection Fee Budget of \$121,000.00 in the month of November. \$199,000.00 was collected in Connection Fees. This represents eight new accounts to the system, six are residential, one is commercial

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and one is industrial. The Connection Fees that will be collected the rest of the year will be assumed non-recurring. Excluding the connection fees the Authority revenue would be ahead of budget by approximately \$8,000.00. The Authority Expenses are in line with the budget. Mr. Rappoccio wanted to point out to the Commissioners that as the results continue to be reviewed this year, the actuals to budget will be much more precise. In the past year and half the Authority has had timely recording and updates to the billing system. There is good experience in the system over the actuals to apply to the Budget this year. Mr. Rappoccio said he will not be straight lining the budget over the full year. He will be actually applying the budget against the actual results based on the actual experience from last year. The results will be more precise in the summer months with regard to irrigation and will be able to see the real impact of the usage as well as other items.

2. Roll Call to Approve Operating Vouchers

Three items totaling \$14,427.00 were added to the operating expenses since the meeting packets were sent out. Mr. Waxman questioned what was added. Mr. Rappoccio responded one item was \$13,422.00 for the Attorney, second item was a utility easement for S and G Real Estate for \$1,500.00 and the third item was a small correction to a Remington and Vernick invoice in a credit amount of \$495.00. A **motion** to approve operating vouchers in the amended amount of \$794,103.24 was made by Mr. Coles, seconded by Mr. Sernotti. On a **roll call**, all members present voted **"Yes"**. **Motion passed.**

Mr. Theibault arrived at 10:05 A.M. Mr. Theibault was seated as an alternate.

3. Resolution to Adopt Combined Water and Sewer Budgets

Mr. Rappoccio has a resolution to adopt the 2016 combined Water and Sewer Capital and Operating Budgets. As you may recall at last month's meeting two resolutions were passed for water and sewer separately. This year there is a new budget format. The budget is being submitted as one, water and sewer combined. Mrs. Lapa read **Resolution # 15-130 2016 Authority Budget Resolution Lakewood Township Municipal Utilities Authority**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On **roll call**, all members present voted, **"Yes"**. **Adopted.**

VII. Engineer's Report

1. RFQs for Engineering Services for Calendar Year 2016

Resolution Accepting Qualifications

Mr. Morrill would like to split this and approve certain engineering firms at this time and have other firms for review at a later date and approve at next month's meeting. Senator Singer wanted to inform the Commissioners that qualifications were received from engineering firms that are unknown to the Authority. As is customary, the Authority will ask for references. The Authority wants to make sure that they have water and sewer work experience. Mr. Waxman asked if the engineering firms have the proper insurances and bonding. Mr. J. Flanbaum said yes, it is part of the review. Mr. Morrill said that at this time the following engineering firms will be approved - CME Associates, T and M Associates, GTS Consultants, Owen and Little Associates, PS and S, Hatch Mott MacDonald, Maser Consulting, Remington Vernick, Grant Engineering and Van Cleef Engineering. Mrs. Lapa read **Resolution # 15-131 Accepting Submissions In Response To Request For Qualifications For Engineering Services For 2016**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **roll call**, all members present voted **"Yes"**. **Adopted.**

2. Bids for Chemicals and Cold Water Meters for Calendar Year 2016

- Resolution Awarding Purchase of Dry Calcium Hypochlorite
Bids were accepted on November 20, 2015. Only one bid was received. It was from GP Jager in the amount of \$2,857.44 per pallet. The contract amount is not to exceed \$60,000.00. The contract is for one year. Mrs. Lapa read **Resolution #15-132 Awarding Contract For Dry Calcium Hypochlorite Briquettes To Lowest Bidder.** Motion was made by Mr. Coles, seconded by Mr. Waxman. On a **voice vote** all members present voted "**Aye**". **Adopted.**

3. Hydraulic Modeling for 2016

- Resolution Awarding Professional Services Contract
This is a contract for Hatch Mott MacDonald. The prices are listed in the report. The rates were not increased. The rate listed in the proposal is the same as 2015. Mrs. Lapa read **Resolution #15-133 Awarding Professional Services Contract Without Public Bidding Pursuant To N.J.S.A. 40A:11-4.1, Et Seq.** Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **voice vote** all members present voted "**Aye**". **Adopted.**

4. Regulatory Compliance Assistance 2016

- Resolution Awarding Professional Services Contract
This is a contract to Hatch Mott MacDonald. The contract is in the amount of \$21,000.00 which is the same as last year's budget. Mrs. Lapa read **Resolution #15-134 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 a **voice vote** all members present voted "**Aye**". **Adopted.**

5. GIS Updates 2016

- Resolution Awarding Professional Services Contract
This is a contract to GTS Consultants in the amount of \$25,050.00. This amount is an increase of \$2,100.00 over last year's budget. Mr. Waxman questioned why there is an increase. Mr. Morrill responded that there is a lot more development. Mrs. Lapa read **Resolution #15-135 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. Sernotti. On a **voice vote** all members present voted "**Aye**". **Adopted.**

6. As-Built Drawings for Residential Applications 2016

- Resolution Awarding Professional Services Contract
This is a contract to GTS Consultants. This is for As-Built and update of GIS Mapping for individual residential applications. The cost is \$1,065.00. This includes \$725.00 for inspection services. It is an increase of \$39.00 per unit based on rate increases. Mrs. Lapa read **Resolution #15-136 Awarding Professional Services Contract Without Public Bidding Pursuant To N.J.S.A. 40A:11-4.1, Et Seq.** Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **voice vote** all members present voted "**Aye**". **Adopted.**

7. Shorrock Street Water Treatment Plant Filter Media Change

- Resolution Awarding Contract
Six bids were received on November 24, 2015. The three lowest bidders ranged from \$110,000.00 to \$143,500.00. The lowest bidder was Derstine Company LLC in the amount of \$110,000.00. A letter of protest was received from the second lowest bidder. This letter was sent to the Authority's attorney. Mr. Morrill is recommending award the

contract to the lowest bidder contingent on the attorney's review and recommendation. Mrs. Lapa read **Resolution #15-137 Awarding Contract To Derstine Company, LLC For Filter Change At The Shorrock Street Water Treatment Plant**. Motion was made by Mr. Coles, seconded by Mr. Sernotti. Mr. Waxman asked Mr. Smith if he is on board with this resolution. Mr. Smith said yes. This was discussed with Mr. J. Flancbaum. On a **roll call**, all members present voted "**Yes**". **Adopted**.

8. Test Wells at Ball Park

- Resolution Awarding Professional Services Change Order #1
The amount of the Change Order is \$3,500.00 due to the increase in wages since the proposal was received in 2011. Mrs. Lapa read **Resolution #15-138 Authorizing Change Order No. 1 Test Wells At First Energy Park**. Motion was made by Mr. Coles, seconded by Mr. Waxman. On a **voice vote** all members present voted "**Aye**". **Adopted**.

9. Abandonment of the Woodlake Pump Station

- Resolution Awarding Change Order #1
This Change Order is for the contractor in the amount of \$2,371.64. This is for the modification of the plans. Instead of modifying a manhole it was decided to replace with a new manhole. Mr. Morrill recommends the Change Order. Mrs. Lapa read **Resolution #15-139 Authorizing Change Order No. 1 Abandonment of the Woodlake Pump Station**. Motion was made by Mr. Waxman, seconded by Mr. Coles. On a **voice vote** all members present voted "**Aye**". **Adopted**.

10. Airport Road Water Storage Tank Remediation

- Resolution Rejecting All Bids
This resolution is to reject all bids and nullify the contract awarded to Allied Painting. It is due to an error in the bid specifications. Senator Singer asked if it will be rebid. Mr. Morrill said yes. Senator Singer asked when it will be put out to bid again. Mr. Morrill responded he does not have the date yet. Senator Singer said it should be done right away. Mr. Morrill explained that it will probably have almost a year delay. It has gotten too cold to paint the tank at this point. The tank will be power washed so it will look better. The tank will not be able to get painted till next fall. Senator Singer asked how come it cannot be painted in the summer. Mr. J. Flancbaum said that the tank has to be drained in order to be painted. We are hesitant to drain the tank during the summer season. Mr. Morrill said that spring is the flushing season and the Airport Road Water Storage Tank is critical for controls. Mr. Waxman asked if a new resolution is needed to go out to bid again. Mr. Smith said that a resolution is not needed to go out to bid. Mr. Waxman asked whose fault is this. Mr. Smith said Remington Vernick. Mr. Waxman asked if they are taking care of the bid next time without charge. Senator Singer said yes. But that is not the point. Mr. Waxman said there should be some accountability. Mr. J. Flancbaum said absolutely. Mrs. Lapa read **Resolution #15-140 Rejecting All Bids Airport Road Water Storage Tank Remediation**. Motion was made by Mr. Coles, seconded by Mr. Waxman. On a **voice vote** all members present voted "**Aye**". **Adopted**.

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

- Resolution Awarding Professional Services Contract
The contract is for Remington Vernick in the amount of \$3,200.00 for Wells No. 1 and No. 3. This is for the design of two sanitary sewer lateral extensions. Mr. Waxman asked Mr. Morrill if he recommends it. Mr. Morrill said he does. This is something that was not realized that it is required for the project. Mrs. Lapa read **Resolution #15-141**

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 a **voice vote** all members present voted “**Aye**”. **Adopted.**

12. New Hampshire Avenue Cell Antenna Modifications

- Resolution Awarding Professional Services Contract

This contract is being awarded to Remington Vernick in the amount of approximately \$7,500.00. Mr. J. Flancbaum said that this will be paid for by T-Mobile. Mrs. Lapa read **Resolution #15-142 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.**

13. Update of Rules and Regulations

- Motion Approving addendum #15 to the Rules and Regulations

The Township Building Department is requiring the larger condominiums to increase the size of the water service from the curb stop to the building from one inch to one and one quarter of an inch. Mr. Morrill asked that any time the Township requires a change above one inch, the Authority minimum water service should be one and one half inch service from the road to the curb stop so that there is adequate water flow. Mr. Waxman said this is more than what the Township is asking for. Mr. J. Flancbaum said that the one and one quarter inch is an uncommon size. Mr. Morrill said he would like it to be standardized to go from one inch to one and one half inch. A **motion** to approve Addendum No. 15 to the Rules and Regulations was made by Mr. Coles, seconded by Mr. Sernotti. On a **roll call**, all members present voted “**Yes**”. **Motion passed.**

Mr. Morrill said he wanted to comment on the New Hampshire Avenue Cell Antenna Modifications. The correct amount of the contract is \$7,750.00.

14. Leisure Village Drainage Improvements Maintenance Area - Project Status

Leisure Village modified their roadway. It becomes a conflict with the Authority’s sanitary sewer. Mr. Morrill made plans for a modification to the Authority’s sanitary sewer to eliminate this conflict. Prices were received from two contractors, Bil Jim Construction in the amount of \$63,782.00 and Underground Utilities in the amount of \$59,718.00. Leisure Village has agreed to hire Underground Utilities for that price and have them installed. The Authority will enter into an agreement to reimburse them from the Capital Budget item for sanitary sewer repairs.

VIII. Attorney's Report

Mr. Smith is currently working on a lawsuit.

Airport Road Water Storage Tank – Mr. Smith is dealing with the bonding company. They have filed an answer to Mr. Smith’s complaint. Mr. Smith sent them a set of initial interrogatories for answers. Senator Singer asked what their response was to the complaint. Mr. Smith said it was a general denial. It does not mean that they are denying anything; it just means for the sake of the case they are not admitting anything now.

IX. Executive Director's Report

1. Resolution awarding contract for snow clearing services for the 2015-2016 winter season

An RFP opening was held yesterday. One proposal was received and it was from Snow Services, Inc. This is the same company that did our work for the last three seasons. The contract would run from December 1, 2015 through March 31, 2016. Their price is \$3,460.00 per month for up to three occurrences whether for snow or icing, and a threshold of fifteen inches of snow. There was a price increase of six percent, \$210.00 per month from the last two years. Their service has been very satisfactory for the past three years and with the Board's approval we would like to award the contract to them. Mrs. Lapa read **Resolution #15-143 Awarding Contract For Snowplowing Services For Winter Season 2015-2016**. Motion was made by Mr. Sernotti, seconded by Mr. Coles. On a **voice vote** all members present voted "**Aye**". **Adopted**.

2. NJ Utility Authorities Joint Insurance Fund 2015 Dividend

The Authority received an \$8,747.36 dividend from the JIF. Percentage wise of the premium, it is the largest dividend received over the last few years. It is eleven percent of the total premium. Mr. J. Flancbaum said it was chosen to be taken as a credit towards the premium.

3. Reverse Auction for Energy Supply

This afternoon at 2:30 P.M. the Authority is conducting a reverse auction for energy supply. All facilities will be included except for the New Hampshire Avenue facility because it will be supplied with energy through our solar panels. Senator Singer asked when the solar panels will be installed. Mr. J. Flancbaum said the power purchase agreement with them is being finalized. A conference call is set up for tomorrow with the solar company. There has been back and forth on the details of the contract. With the Commissioners permission, if the results of the auction are favorable, Mr. J. Flancbaum would like to phone poll the commissioners to award the contract and not wait until the next meeting. Senator Singer said it is okay.

4. Lakewood Civilian Safety Watch- Annual Play it Safe Bowling Tournament

The Authority received a request from the Event Chairman of the Annual Play It Safe Bowling Tournament, Mr. Lichtenstein, to make a donation of \$1,000.00. Senator Singer asked the Commissioners if the Authority should donate to this event. Mr. Waxman questioned if this is something that the Authority has done in the past. Senator Singer said the Authority has not done this in the past. Mr. Waxman said he thinks that the Authority should not start. If yes, maybe the amount should be \$500.00. Senator Singer said there are only two amounts that can be given, \$1,000 or \$2,000. Senator Singer said personally he thinks the Authority should donate. Mr. Waxman said he would be okay if it was a one-time donation because it is a good cause, but not donate every year. Senator Singer said that request came from Meir Lichtenstein. If it did not come from him then he would not recommend donating. The consensus of the Commissioners was based on the fact that it came from Meir Lichtenstein the Authority will make a donation of \$1,000.00. Senator Singer would like Mr. Rappoccio together with Mr. J. Flancbaum to put together a budget that would include such donations. When the budget amount is spent, it is done. Mr. Coles asked if perhaps a note should be attached to the donation that this can be done only once every few years. Mr. Waxman said he thinks it should be said verbally. Senator Singer said that this is the public's money and the Authority needs to be careful. Therefore a budget is needed. Mr. Theibault suggested that a poll

be made to surrounding Authorities and see what they do. Senator Singer said that since the request is from the chairman of the event, a governing body representative, he would like to see that this event is successful. This group does a lot of good work for Lakewood. Mr. Waxman asked if a motion is needed. Mr. Smith said yes. A **motion** to approve \$1,000.00 Corporate Sponsor for the Lakewood Civilian Safety Watch Annual Play It Safe Bowling Tournament was made by Mr. Coles, seconded by Mr. Waxman. On a **voice vote**, all members present voted “**Aye**”. **Motion passed.**

X. Instrumentation/IT Department Report

1. ASR Well’s 2 & 17 Update

Programming work is moving forward for ASR Well No. 17. We will be ready to test the wells full automatic operation in approximately one week. ASR Well No. 2 programming is complete. Now a window of time must be scheduled where the well can be shut down for a few days in order to make the physical installations and test.

2. IP Address Changeover Update

The SCADA personnel are making the final preparations for the system’s IP address change out over to a more secure domain in order to mitigate the threat of hacking into our critical systems. There is an extensive amount of planning and coordination with our contractor Let’s Think Wireless’s network engineer and Authority personnel so that there is minimal to zero impact on the operation as everything runs off the IP addressing.

3. Card Key Access for Remote Sites Update

In an ongoing effort to enhance the security at the Authority’s remote sites, a date to meet for a second time is being scheduled with the contractor, Let’s Think Wireless, in order to make a decision on the types of equipment and technology. At this meeting a comprehensive and reasonable implementation strategy with respect to the deployment of passkeys at our remote sites will be developed. This will eliminate the use of conventional keys at the Authority. Senator Singer asked when employees receive a key do they sign for it. Mr. J. Flancbaum said yes they do and also it is assigned specifically to them. Senator Singer said that when an employee leaves employment at the Authority this needs to be part of their discharge. This way we keep track of the keys. Mr. J. Flancbaum said that these keys are controlled via computer. When an employee leaves, the card of that employee is denied access. Senator Singer said the card needs to be returned because the cards are reusable.

4. Shorrock Street WTP GE Equipment Changeover Progress

As the year comes to an end we are very close to completing the GE equipment changeover as the personnel are often called off that effort to address other critical needs. Over the Thanksgiving weekend there was a failure of the old system. This is giving more incentive to get the changeover done quicker but there have been other critical projects that have pulled us away from this. This changeover will be done in a short while. Senator Singer said this shows how the Authority needs to be kept updated.

IT Status Report

5. GPS Tracking and Fleet Management Software Update

We are negotiating the MSP(Managed Service Provider)/SAAS (Software As A Service) Agreement and are reviewing the cost proposal. The contract will be forwarded to the attorney for review.

6. HR & Payroll System Update

The Agreement has been completed. The project implementation is at the beginning stages.

7. Reliable Safety, Inc. Update

The New Hampshire Avenue and Shorrock Street Plant locations are now being monitored for fire and security per State and Local requirements. The contracts with Reliable Safety Systems are in attorney review and we are working on adjustments to that agreement.

XI. Commissioners' Report

Mr. Theibault questioned the status of the Verizon Tower on Ridge Avenue. Mr. J. Flancbaum said that they are done construction. Mr. Morrill said the as-built drawings were received and are being reviewed. Verizon is up and operational for six months.

XII. MEETING OPEN TO THE PUBLIC

There was no response from the public.

XIII. MEETING CLOSED TO THE PUBLIC

XIV. CLOSED SESSION

XV. OPEN SESSION

XVI. ADJOURNMENT

A **motion** was made by Mr. Sernotti, seconded by Mr. Waxman to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 10:38 A.M.

Respectfully submitted,

Nechama Lapa,
Secretary, LTMUA