



Board of Commissioners

Senator Robert Singer, Chairman

Mayor Raymond Coles, Vice Chairman

Craig Theibault, Treasurer

Anne Fish, Assistant Secretary

P. G. Waxman, Commissioner

Samuel Flanbaum, Alt. Commissioner

Meir Lichtenstein, Alt. Commissioner

THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Regular Meeting Minutes

November 7, 2018

- I. Senator Singer opened the meeting at 10:45 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 9, 2018 and The Tri Town News on February 14, 2018.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**
On roll call the following Commissioners were present: Mr. S. Flanbaum, Mr. Theibault, Mayor Coles, Mr. Waxman, Mrs. Fish and Senator Singer. The following professionals and key personnel were present: Mr. Adam Pfeffer, Esq., Mr. Gerwin Bauer, Auditor, Mr. Justin Flanbaum, Executive Director, Mr. Daniel Rappoccio, CFO, Mr. Colin Farrell, CEng MIEI, Director of Engineering, Mr. Adam Ponsi, P. E., Mr. Robert Farina, Instrumentation Department Supervisor and Mrs. Nechama Lapa, Secretary.
- V. **Minutes**
A motion to approve the minutes of the Regular Meeting held on October 10, 2018, was made by Mr. Waxman and seconded by Mayor Coles. On a **voice vote**, all members present voted "**Aye**". **Motion carried.**
- VI. **Chief Financial Officer Report**
 1. **Financial Results Review For Period Ending October 31, 2018**
The Authorities net position for the period ending October 31, 2018 is approximately \$3.8 Million which is approximately \$591,000.00 ahead of the Budget. The Authority's operating revenue is approximately \$11.4 Million. This is \$574,000.00 ahead of the budget. It continues to be driven by the water and sewer service charges and the non-recurring connection fees.

The Authority's expenses through October 31, 2018 are approximately \$7.5 Million. The expenses are about \$17,000.00 less than the budget. Expenses are being managed

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extremely well. There are some line items that have fluctuated. Those are being addressed in the upcoming budget.

2. Motion to Approve Operating Vouchers

Mr. Rappoccio provided the commissioners with a list of abstentions. There is one addition to the Operating Expenses. An invoice was received from ESRI in the amount of \$25,000.00. This is the annual contract for the GIS monitoring equipment. The amended amount for the Operating Expense Vouchers is \$1,027,355.59. A **motion** to approve operating vouchers in the amended amount of \$1,027,355.59 was made by Mayor Coles, seconded by Mr. Waxman. On **roll call**, all members present voted, "Yes" with **noted abstentions. Motion Carried.**

3. Resolution to Adopt the 2019 Budget

The Authority received the Budget back from the State. It was approved and the Budget needs to be adopted now. Mrs. Lapa read **Resolution No. 18-83 Adopt The 2019 Budget.** Motion was made by Mr. Waxman seconded by Mayor Coles. On **roll call** all members present voted "**Yes**". **Adopted.**

A proposal to do post-employment benefits and liability was received from Aon for the GASB 75 Actuarial Analysis that is required by the State. The proposal was in the amount \$10,000.00. Back in 2014 the cost was \$8,000.00. They are doing a little more with this analysis and they are the only company that does this. It does not need a resolution but Mr. Rappoccio wanted to bring it to the commissioners attention.

VII. Engineer's Report

Mr. Ponsi's Report

1. Somerset Run (Albert Street Holdings, LLC-Mordy Schron & Abe Auerbach)

- Resolution Granting Conceptual and Technical Approval

On October 26, 2018 T&M Associates issued a technical review letter. At this time the Authority may grant conceptual and technical approval for the Somerset Run Development conditioned on the T&M review letter dated October 26, 2018. Mrs. Lapa read **Resolution No. 18-84 Granting Conceptual and Technical Approval.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, Mayor Coles, Mr. Waxman, Mrs. Fish and Senator Singer voted "**Yes**". Mr. Theibault abstained. **Adopted.**

2. Avenue of the States Retail and Office (Avenue of the States Office, LLC & AOTSR, LLC-Yosef Michael & Aaron Mueller)

- Resolution Granting Conceptual and Technical Approval

On October 22, 2018 Grant Engineering issued a conceptual and technical review letter. At this time the Authority may grant conceptual and technical approval for the project conditioned on the Grant Engineer review letter dated October 22, 2018. Mrs. Lapa read **Resolution No. 18-85 Granting Conceptual and Technical Approval.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Motion Carried.**

3. Kidz Place Daycare Conversion (Kidz Place-Aviva Kahanow & Shlomo Chaim Kanarek)

- Resolution Authorizing Executive Director to Endorse Applications

In order to endorse the OCUA application for this project the Authority must pass a resolution authorizing the Executive Director to sign the application. At this time the Authority may pass a resolution for the Kidz Place Daycare Conversion project

authorizing the Executive Director to endorse the OCUA application conditioned on the Grant Engineering letters of February 26, 2018. Mrs. Lapa read **Resolution No. 18-86 Authorizing the Executive Director To Endorse Applications**. Motion was made by Mr. Waxman, seconded by Mayor Coles. On a **voice vote**, all members present voted, "Aye". **Motion Carried.**

4. 440 Oberlin Avenue School Conversion (Bnos Orchos Chaim, Inc. - Eliyahu Stern & Jack Mandelbaum)

- Resolution Authorizing Executive Director to Endorse Applications

On October 25, 2018 Grant Engineering issued commercial/industrial review letter. In order to endorse the OCUA application needed for this project, the Authority must pass a resolution authorizing the Executive Director to sign that application. At this time the Authority may pass a resolution for this project authorizing the Executive Director to endorse the OCUA application conditioned on the Grant Engineering letter of October 25, 2018. Mrs. Lapa read **Resolution No. 18-87 Authorizing the Executive Director To Endorse Applications**. Motion was made by Mr. Waxman, seconded by Mayor Coles. On **roll call**, Mayor Coles, Mr. Waxman, Mrs. Fish and Senator Singer voted "Yes". Mr. Theibault abstained. **Adopted.**

5. Astor Chocolate Building Expansion (Park Lane Assoc-Alan Weisberger)

- Resolution Authorizing Executive Director to Endorse Applications

On October 16, 2018 Grant Engineering issued a review letter. To endorse the OCUA application needed for this project the Authority must pass a resolution authorizing the Executive Director to sign that application. At this time the Authority may pass a resolution for the Astor Chocolate Building Expansion project authorizing the Executive Director to endorse the OCUA application conditioned on the Grant Engineering letter of October 16, 2018. Mrs. Lapa read **Resolution No. 18-88 Authorizing the Executive Director To Endorse Applications**. Motion was made by Mr. Waxman, seconded by Mr. Theibault. On **roll call** all members present voted "Yes". **Adopted.**

6. Shenandoah Manor (319 Cedar Bridge, LLC-Noah Gordon & Menachem Gutfreund)

- Resolution Releasing Maintenance Guarantees

On November 1, 2018 the Authority issued a letter detailing the conditions required for the maintenance guarantees to be released. At this time the Authority may release the maintenance guarantees for the Shenandoah Manor Development conditioned on the Authority's letter of November 1, 2018. Mrs. Lapa read **Resolution No. 18-89 Releasing Maintenance Guarantees**. Motion was made by Mayor Coles, seconded by Mrs. Fish. On **roll call**, Mayor Coles, Mrs. Fish and Senator Singer voted "Yes". Mr. Theibault and Mr. Waxman abstained. **Adopted.**

7. Joe Parker School II (Congregation Tiferes Shulem-Rabbi Leifer)

- Motion Authorizing Calling in Performance Bonds

As of today, the Developer has failed to proceed with the construction of the offsite sanitary sewer extension that was required to be completed by February 2015. The TWA permit is set to expire in the spring of 2019 with no further extensions possible. At this time the Authority may authorize the Authority Attorney to proceed with calling in the performance guarantees for the project so the Authority may construct the required sanitary sewer extension prior to the TWA permit expiring. Senator Singer asked if the building is completed. Mr. J. Flancbaum said the building is built. As per the Developer's Agreement that was signed years ago, they had until 2015. A meeting was held with the school a few years ago to work with them on TWA extensions. They said they needed a little more time to put together the money for the sewer main extension. The Authority has been communicating with them. They were told that the TWA permits

will be expiring soon and we have no choice but call in the bond. They are fully aware of what is going on. They told the Authority that they will do the work. They were told that there is no choice, the bond has to be called in. Senator Singer asked what they are doing now for sewer. Mr. J. Flancbaum said that they tied in temporarily to the Golfview townhouses across the street. This goes back to around 2008. Senator Singer said this is a lesson to learn for allowing this. Mr. Ponsi said the reason the Authority worked with them in the first place was because at the time that the school was being built, there was a County road moratorium on Joe Parker Road. So that the school could open, the Authority agreed that they would bond for the sewer line. Senator Singer said this is a lesson that needs to be learned. The Authority attorney will call in the bond. A **motion** was made by Mayor Coles, seconded by Mr. Waxman to call in the Performance Bonds. On a **voice vote**, all members present voted, "**Aye**". **Motion Carried.**

Mr. Farrell's Report

8. County Line Manor Pump Station Upgrades Gravity Sewer Main

- Resolution Awarding Professional Services Contract

In October 2018 the Authority received comments from the NJEIT requesting a cultural survey be conducted for the project. The Authority received three proposals from 1. ACME Heritage Consultants 2. RGA and 3. Hunter Research. The lowest proposal was from ACME Heritage Consultants in the amount of \$2,950.00. At this time the Authority may award a professional services contract to ACME Heritage Consultants to perform a cultural survey in the amount of \$2,950.00. Mrs. Lapa read **Resolution No. 18-90 Awarding Professional Services Contract**. Motion was made by Mayor Coles seconded by Mr. Waxman. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

9. Well #1, #3, and #5 Building Rehabilitation

- Resolution Releasing Maintenance Guarantees

On October 30, 2018 Remington Vernick issued a letter detailing the outstanding construction items necessary to be addressed for maintenance bond release. At this time the Authority may release the maintenance bonds for the Wells No. 1, No. 3 and No. 19 (formerly Well No. 5) building rehabilitation project conditioned on the construction punch list items being addressed and identified in the Remington Vernick letter dated October 30, 2018. Mrs. Lapa read **Resolution No. 18-91 Releasing Maintenance Guarantees**. Motion was made by Mayor Coles, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

VIII. Attorney's Report

The Authority received yesterday from Verizon a signed lease and a \$10,000.00 check for the deposit. The paperwork will be reviewed.

Around two weeks ago, we had a meeting with the DEP in Trenton. Everything is moving along and they indicated verbally that they will be signing off on the contract with New Jersey American Water. Verbally the DEP indicated everything is well with the Town Center designation.

Senator Singer asked if there is an update on the litigation with Mallon. Mr. Pfeffer said no. He will follow up with Mr. Stanzione's office to see where they are at. Last time we were just receiving the discovery. Senator Singer asked if there is an update with the labor litigation. Mr. Pfeffer said it is fairly new. Mr. J. Flancbaum said they filed the answers. Senator Singer told Mr. Pfeffer to work on getting the bond. Mr. J. Flancbaum said regarding the DEP, there will be a follow up meeting regarding the allocation request.

IX. Executive Director's Report

1. Resolution Awarding Contract for Snow Clearing Services- 2018-2019 Season

An RFP opening was conducted on November 2, 2018. One proposal was received from Snow Services Plus Corporation. This is the same company the Authority has been using for the past four years and they do an excellent job. Their monthly fee is \$3,925.00 per month. Mr. Waxman asked if it is the same price as last year. Mr. J. Flancbaum said there is a 6.5% increase from last year. Last year was \$3,685.00 per month for a total of \$14,740.00. This year's total will be \$15,700.00. Mr. Waxman asked why there is such an increase. Mr. J. Flancbaum said they do not raise their prices every year. They raised it this year due to an increase in cost of labor, equipment etc. Mr. Waxman said to tell them he will not vote on it next year if they raise their price again. Mr. J. Flancbaum said the contract will run from December 1, 2018 – March 31, 2019. Mrs. Lapa read **Resolution No. 18-92 Awarding Contract For Snow Plowing Clearing Services for Winter Season 2018-2019**. Motion was made by Mayor Coles seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

2. Resolution Authorizing the Execution of a Software and Hardware Maintenance Agreement for 2019 with Edmunds & Associates, Inc.

The annual maintenance agreement with Edmunds & Associates, Inc. is for a total of \$11,099.00. This is the same dollar amount as last year. Mrs. Lapa read **Resolution No. 18-93 Authorizing The Execution Of A Software And Hardware Agreement**. Motion was made by Mr. Waxman seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

Added on to agenda:

3. 2018 NJUA JIF Dividend

The Authority will be receiving a dividend of \$9,301.00 this year from the JIF. It will be applied as a credit to the premium.

The DEP signed off on the Master Permit for 2019. This is good news. Regarding the allocation increase request, there are some technical items they want to review with the modified application before it is submitted. Mr. J. Flancbaum reached out to the DEP for some meeting dates and they said they will hopefully get back with some dates that we can sit down and run through the technical items with them. Mr. J. Flancbaum said he thought it was a better idea to run through it before the application is submitted and hopefully submit a clean application.

X. Technical Operations Report

Field Operations Report:

1. Shorrock Street Water Treatment Plant Air Stripper Work

Our in-house mechanical personnel replaced the two top stainless steel exhaust screens atop of the Shorrock Street aeration blower unit. There were pictures on the conference room screen to show what the piece of equipment looks like. The vendor designed the screens in a modified way so that a crane will never have to be used in order to perform this task in the future. Our cost including a week rental of a lift, materials and labor amounted to just under \$3,000.00. Delta Cooling Towers gave an estimate of over \$11,500.00 for the same work the Authority did.

2. NJ Water Association Seminar

Operations management engaged two vendors at a NJ Water Association Conference. The first lead, Xylem Co., ended up securing a backup to our sewer pump stations, should the stations fail, and at the same time satisfying an asset management plan requirement. The Authority presently purchases the pumps from them. At the present time, this service is of no cost to the Authority and will only become a cost should we experience a complete station failure and require their intervention and assistance. The second lead is with Aqua-Smart, Inc. They came to our site and demonstrated a DEP acceptable chemical that may enable us to clean and revitalize our wells when we observe a decrease in pumping yields. This is usually due to iron buildup. Their chemical along with some sodium hypochlorite and approximately two days of our personnel labor may be able to accomplish this task for approximately \$1,500.00. The cost to have a well cleaning performed by a driller can cost upwards of \$15,000.00. Well No. 10 and Well No. 18 have experienced a slight decrease in production. The plan is to test Well No. 10 with this and if it works out as promised, the Authority found a very inexpensive way to clean the wells.

Technical Operations:

3. New SCADA Hire

The search for a replacement SCADA integrator has resulted in the hiring of an individual who comes to the Authority with a substantial electrical/electronic background including knowledge of SCADA systems and RTU's. He is presently an employee with the New York City MTA and is accustomed to working for critical agencies that require uninterrupted operations. We believe he will fulfill the Authority's SCADA, electrical and instrumentation requirements. Our plan is to have him become familiarized with our systems with the assistance of our SCADA vendor, Chris Pawlik from Pumping Services. After that he should hit the ground running.

IT Department:

4. Cyber Security Seminar

The Authority's IT Specialist attended a no cost Cyber Security Awareness Training seminar at which time he solidified our membership with the MS-ISAC (Multi-state Information Sharing and Analysis Center). This will give the Authority additional monitoring and free resources should we encounter a breach in our IT system or phone system.

5. Reverse 911 System

Our CodeRed reverse 911 system will be fully implemented by months end.

6. Bar Coding Project

The Bar coding inventory control project is under way and the equipment is in-house. The IT Specialist is working with it so that it will work with the computerized maintenance system.

Senator Singer asked that all the commissioners' cell phone numbers be included in the Reverse 911 System so that they are aware if an alert is going out.

GIS Department:

7. Information System Association Seminar

Our GIS Specialist attended the Mid-Atlantic Urban and Regional Information Systems Association seminar which included several workshops that will help enrich and automate some of the Authority's data analysis. He was informed that the State will be doing a year 2020 ortho-photo project at the 1 foot pixel resolution. Mr. McClain is going to work on getting a coalition of our MUA partners that use GIS to petition the County to

have the State strive for a 6 inch pixel resolution due to some items being lost in the capture of the 1 foot pixel level. This is basically asking for a tighter and more detailed resolution.

Mr. McClain was also able to network with other utilities to see how they are approaching the Water Quality Accountability Act Mandate and what methods they are employing. This will ensure that it will be done the first time and not get negative feedback from the DEP.

Lastly, he met with the State OIT (Office of Information Technology) staff to discuss data sharing possibilities. This seminar was of no cost to the Authority other than our employee's time.

XI. Commissioners' Report

Senator Singer would like a thank you letter sent to the Tax Collector, thanking them very much for the tax sale, carbon copy to the administrator, Ms. Gaynor. Senator Singer thanked Ms. Gaynor for a great job and appreciates her help.

Senator Singer invited those that going to Atlantic City for the League to attend a program in the Convention Center on Wednesday from 2:00 P.M. to 4:00 P.M. Senate President Steve Sweeney, Speaker and Minority Leader in the Assembly and himself will be presenting.

XII. MEETING OPEN TO THE PUBLIC

XIII. MEETING CLOSED TO THE PUBLIC

XIV. ADJOURNMENT

A motion was made by Mr. Theibault, seconded by Mayor Coles to adjourn meeting. On a **voice vote**, all members present voted, "**Aye**". The meeting was adjourned at 11:14 A.M.

Respectfully submitted,

Nechama Lapa,
Secretary, LTMUA