



Board of Commissioners

Senator Robert Singer, Chairman

Mayor Raymond Coles, Vice Chairman

Craig Theibault, Treasurer

Anne Fish, Assistant Secretary

Yocheved Miller, Commissioner

Samuel Flanbaum, Alt. Commissioner

Meir Lichtenstein, Alt. Commissioner

THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Regular Meeting Minutes

December 6, 2022

- 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, NJ 08701
- 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 4, 2022 and The Tri Town News on March 9, 2022.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**

On roll call the following Commissioners were present: Mrs. Fish, Mrs. Miller, Mayor Coles, Mr. Theibault and Senator Singer.
Mr. S. Flanbaum and Committeeman Lichtenstein were both absent.
The following professionals and key personnel were present: Mr. Adam Pfeffer, Esq., Mr. Gerwin Bauer, Auditor, Mr. Justin Flanbaum, Executive Director, Mr. Donald Sondak, CFO, Mr. Bob Farina, Director of Operations, Mr. Harry Robbins, Operations Manager, Mr. Colin Farrell, CEng MIEI Director of Engineering and Mr. Adam Ponsi, P.E.
- V. **Minutes**

A **motion** to approve the minutes of the Regular Meeting Minutes held on November 1, 2022, was made by Committeeman Lichtenstein seconded by Mr. S. Flanbaum. On **roll call**, Mayor Coles abstained, all other seated members voted **“Yes.” Motion carried.**
- VI. **Chief Financial Officer Report**

Given by Mr. Donald Sondak, CFO/Human Resources Director

1. 2023 Benefits Open Enrollment

LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

390 NEW HAMPSHIRE AVENUE, LAKEWOOD, NEW JERSEY 08701

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The HR department has completed the current season of Annual Enrollment for Benefits for all employees.

- ✓ Medical – complete as of 10/31/2022 (2023 rates start 1/1/2023)
- ✓ Dental - complete as of 10/31/2022 (updated elections start 1/1/2023)
- ✓ FSA - complete as of 11/29/2022 (updated employee deductions start 1/1/2023)

Enrollments still to come later next year, or are always available:

- Vision – Open enrollment period – 4/1/2023 – 4/30/2023 (updated elections start 6/1/2023)
- Aflac – Non-policy holders can enroll at any time throughout the year.
- Aflac – Open enrollment for policy holders – 4/1/2023 – 5/31/2023 (updated elections start 6/1/2023)
- Nationwide – Enroll/drop coverage at any time throughout the year.
- Empower – Enroll/drop coverage at any time throughout the year.

A thank you to Melissa Hammond, our HR & Payroll Administrator for managing these efforts.

2. **2022 Financial Overview**

October 31, 2022 marked the end of our fiscal year. The Authorities net position for the year ending October 31, 2022 is approximately \$4.0 million. This is approximately \$640,000 (19%) better than budget. The Authorities Operating Revenue for the same period is approximately \$13.0 million which exceeded the budget by \$285,000 (2.2%). The over budget condition is driven by non-recurring connection fees of approximately \$450,000. The Authorities Operating Expenses are approximately \$9.0 million which is \$355,000 (3.8%) below the \$9.3 million budget.

3. **Resolution Approving the Authority Budget**

A meeting was held on November 2, 2022 with the Authority's Budget & Finance Committee and Accounting Firm. Both the Operating Budget and the Capital Budget were reviewed at that time. The Operating Budget for Revenue last year was \$12.7 million, and for this year it is \$13.0 million. The Operating Budget for Appropriations last year was \$11.8 million, and for this year is \$12.5 million. The Capital Budget for last year was \$27.6 million, and for this year is \$33.2 million. The Capital Program budgeted expenditures for this year are \$20.7 million funded by: \$10.3 million - Unrestricted Funds; \$7.0 million – iBank; \$3.4 million – America Recovery Plan via Lakewood Township.

A resolution is required to approve sending the 2022-2023 Authority Budget to the State for review and approval. The next steps are the NJ Department of Community Affairs (DCA) will review the budget and we will address any questions that they may have. Once we received DCA approval, we will return to this board and propose a Resolution to adopt the budget as final. We anticipate that to happen in time for the January 4th 2023 Board meeting.

At this time Mr. Sondak recommend that the Board approve Resolution 22-96 to send the 2022-2023 Authority Budget to the DCA for its review.

Resolution No. 22-96 Approving Authority Budget 2022-2023

Motion was made by Mayor Coles and seconded by Mr. Theibault. On **roll call**, all seated members voted **“Yes.” Adopted.**

4. Motion to Approve Operating Voucher

The Operating Voucher in the Board Packet is \$747,573.12. There are no out-of-the-ordinary monthly issues to note. Mr. Sondak recommends that the board approve the Operating Voucher, as amended to \$747,573.12, with noted abstentions.

Motion was made by Mayor Coles and seconded by Ms. Fish. On **roll call**, all seated members voted “Yes”. **Adopted.**

VII. Engineer’s Report

Given by Mr. Adam Ponsi, P.E. and Mr. Colin Farrell, Director of Engineering

1. Flea Market Residential and Commercial Development (*Owner/Developer: Flea Market Developers, LLC.-Jack Klugman*)

Mr. Ponsi reported on November 9th, the Authority received a request for the performance guarantee reduction for the Flea Market Development. On December 2, 2022 the authority issued a letter detailing the amounts the performance guarantees can be reduced.

- **Resolution No. 22-97** Reducing Performance Guarantees Flea Market Residential and Commercial Development

Motion was made by Mrs. Fish and seconded by Mayor Coles. On **roll call**, all seated members voted “Yes”. **Adopted.**

2. 410 Oberlin Avenue South School Trailers (*Owner/: Yeshiva Orchos Chaim, Inc-Rabbi Eliyahu Stern & Jack Mandelbaum*)

There is one site specific term for the Developer’s Agreement for this project:

- Due to supply chain issues the Authority is permitting the Developer to install a meter pit that has not been tested with the Authority’s meter reading system. If there are problems reading the meter within 1 year of the meter installation, the Developer agrees to replace the installed meter pit with a meter pit that has been tested with the Authority’s meter reading system.

At this time the Authority may accept the terms of the Developer’s Agreement as described in Schedule “B”.

- **Resolution 22-98** Approving Terms of Developers Agreement 410 Oberlin Avenue South School Trailers

Motion was made by Mrs. Fish and seconded by Mayor Coles. On **roll call**, all seated members voted “Yes”. **Adopted.**

3. Lanes Mill Road School #6 (*Owner/Developer: Aderes Bais Yaakov, Inc-Gil Frieman/General Contractor: Regency Development-Abe Auerbach*)

Mr. Ponsi reported on November 15, 2022 GTS Consultants issued review #3 and at this time the Authority may grant technical approval for the Lanes Mill Road School #6 project conditioned on the GTS letter dated November 15, 2022.

- **Resolution No. 22-99** Granting Technical Approval Lanes Mill Road School #6
Motion was made by Mayor Coles and seconded by Mrs. Fish. On **roll call**, Mr. Theibault abstained, and all other seated members voted “**Yes**”. **Adopted.**

4. **Bids for Chemicals and Cold Water Meters, Sodium Hypochlorite, and Hydrated Lime for Calendar Years 2023-2024**

Mr. Farrell reported that we are rejecting bids for Cold Water Meters due to Core & Main being unresponsive and Ferguson Water Works for not meeting the bid specifications. Senator Singer asked if Mr. Farrell informed both companies of what they did wrong so they can fix their errors for next time? Mr. Farrell said he had let them both know.

A) **Resolution No. 22-100** Rejecting Bids for Cold Water Meters

Motion was made by Mrs. Fish and seconded by Mayor Coles. On **roll call**, all seated members voted “**Yes**”. **Adopted.**

B) Mr. Farrell reported that one bid was received so at this time the Authority may award a one year contract for the purchase of sodium hypochlorite to Miracle Chemical Company in the unit cost amount of \$4.495 per gallon. Last year the unit cost was \$1.66 per gallon for an increase of 170%.

Senator Singer inquired about why only one bid. Mr. J. Flancbaum responded saying with the market uncertainty companies don’t want to commit to long term contracts.. Some are only quoting prices for 30- or 60-day supply. We need a one-year contract if there is ever an issue, a supply chain issue, a distribution issue, or whatever, the companies with a contracts will get top priority.

- **Resolution No. 22-101** Awarding Contract for Sodium Hypochlorite
Motion was made by Mayor Coles and seconded by Mrs. Fish. On **roll call**, all seated members voted “**Yes**”. **Adopted.**

C) Mr. Farrell reported that one bid was received for the purchase of hydrated lime, from George S. Coyne Chemical in the unit cost amount of \$27.3780 per 50# bag. Previous year was \$9.59 per bag for an increase of 185%.

- **Resolution No. 22-102** Awarding Contract for Hydrated Lime
Motion was made by Mrs. Fish and seconded by Mayor Coles. On roll call, all seated members voted “**Yes**”. **Adopted.**

5. **Shorrock Street Water Treatment Plant Greensand Plus Changeout**

Mr. Farrell reported on November 22, 2022 the Authority received six (6) bids for the for the Shorrock Street Water Treatment Plant Greensand Plus Changeout project. Bids received ranged from \$133,000.00 to \$430,000.00. The three (3) apparent lowest bidders are:

- Pacific Contracting Services, LLC \$133,000.00
- Derstine Company \$203,000.00
- Allied Construction Group, Inc. \$258,000.00

November 29, 2022 the Authority received a letter from Owen, Little and Associates reviewing the bids received. In that letter the Authority was informed that the lowest bidder withdrew their bid and that Owen, Little and Associates recommends award to the second lowest bidder, Derstine Company in the amount of \$203,000.00.

At this time the Authority may award the contract to the lowest qualified bidder that did not withdraw their bid, Derstine Company, for the Shorrock Street Water Treatment Plant Greensand Plus Changeout project conditioned on the review and recommendations of the Authority Attorney and Owen, Little and Associates in the amount of \$203,000.00.

- **Resolution No. 22-91** Awarding Contract Shorrock Street Water Treatment Plant Greensand Plus Changeout
Motion was made by Mrs. Fish and seconded by Mayor Coles. On **roll call**, all seated members voted **“Yes”**. **Adopted**.

Mr. Theibault asked at what point do we decide not to pay these very high prices for chemicals? Senator Singer explained that we don't have a choice, without the chemicals we would have to close down our water treatment plants and purchase water at much higher costs to everyone. Mr. J. Flancbaum added that this is a national problem right now, not just a statewide one.

VIII. Attorney's Report given by Mr. Adam Pfeffer, Esq.
Business as usual.

IX. Executive Director's Report
Given by Mr. J. Flancbaum, Executive Director

1. Resolution Awarding Contract for Snow Clearing Service 2023

Mr. J. Flancbaum reported that on November 9th we had an RFP opening.

We received one proposal from Unique Landscaping and Design LLC. This is the same group that we've been using since 2014 but under a different corporate name.

The proposal is for monthly fee of \$5,098.42 which covers up to three snow or icing events, with a threshold of 15 inches per month. If the threshold is exceeded on any given month the price for plowing increases incrementally every 2" for up to 10" of snow after which we are charged per inch. Application of salt or sand is set at \$2,346.

The monthly fee is up \$667.62 higher than last years (or 15%) due to increase increased overhead costs.

This contract will run from today through March 31, 2023 for a total base fee of \$20,392. (last year was \$17,720).

We have been very satisfied with their level of service over the years and recommend awarding a contract to them this season.

Resolution No. 22-104 Awarding Contract Snow Clearing Services 2023

Motion was made by Mrs. Fish and seconded by Mayor Coles. On roll call, all seated members voted “Yes”. **Adopted.**

2. Resolution Awarding Contract for Cleaning Services 2023

Two proposals were received at our opening on November 9th.

One was from AccesNJ for an annual cost of \$59,000 and one from our current vendor Quality Facility Solutions for \$36,245. (Last years price was \$36,437) Both prices include daily cleaning of the admin and operations buildings as well as window washing and carpet cleaning once a year.

We recommend awarding the contract for 2023 to Quality Facility Solutions.

- **Resolution No. 22-105 Awarding Contract for Cleaning Services 2023**

Motion was made by Mrs. Fish and seconded by Mayor Coles. On roll call, all seated members voted “Yes”. **Adopted.**

3. Resolution Awarding Contract for Laboratory Testing Services 2023

A proposal opening was conducted on December 2nd.

We received one proposal from Precision Analytical Service who is our current vendor

The proposal indicates the same pricing as last year. Our team has been very satisfied with their service and we recommend awarding them the contract for 2023

- **Resolution No. 22-106 Awarding Contract for Lab Testing Services 2023**

Motion was made by Mrs. Fish and seconded by Mayor Coles. On roll call, all seated members voted “Yes”. **Adopted.**

4. Resolution Adopting Model Information Technology Practice Policy

Mr. J. Flancbaum reported that this is an IT / Cybersecurity policy drafted by the NJ MEL.

Compliance with this policy will allow us to get reimbursed for a paid deductible in the event of a claim against our cybersecurity policy. Our current deductible is \$25,000. The adoption of this resolution will segway into the next 3 resolutions I have on my agenda which will allow us to recoup the entire deductible in the event of a claim.

- **Resolution No. 22-107 Adopting Model Information Technology Practice Policy**

Motion was made by Mrs. Fish and seconded by Mayor Coles. On roll call, all seated members voted “Yes”. **Adopted.**

5. **Resolution Adopting Technology Risk Management Standards in Compliance with the New Jersey Municipal Excess Liability Joint Insurance Fund’s Cyber Risk Management Plan’s Tier One Requirements**

- **Resolution No. 22-108 Adopting Technology Risk Management Standards in Compliance with the New Jersey Municipal Excess Liability Joint Insurance Fund’s Cyber Risk Management Plan’s Tier One Requirements**

Motion was made by Mrs. Fish and seconded by Mayor Coles. On **roll call**, all seated members voted **“Yes”**. **Adopted**.

6. **Resolution Adopting Technology Risk Management Standards in Compliance with the New Jersey Municipal Excess Liability Joint Insurance Fund’s Cyber Risk Management Plan’s Tier Two Requirements**

- **Resolution No. 22-109 Adopting Technology Risk Management Standards in Compliance with the New Jersey Municipal Excess Liability Joint Insurance Fund’s Cyber Risk Management Plan’s Tier Two Requirements**

Motion was made by Mrs. Fish and seconded by Mayor Coles. On **roll call**, all seated members voted **“Yes”**. **Adopted**.

7. **Resolution Adopting Technology Risk Management Standards in Compliance with the New Jersey Municipal Excess Liability Joint Insurance Fund’s Cyber Risk Management Plan’s Tier Three Requirements**

- **Resolution No. 22-110 Adopting Technology Risk Management Standards in Compliance with the New Jersey Municipal Excess Liability Joint Insurance Fund’s Cyber Risk Management Plan’s Tier Three Requirements**

Motion was made by Mrs. Fish and seconded by Mayor Coles. On **roll call**, all seated members voted **“Yes”**. **Adopted**.

X. Technical Operations Report

Given by Mr. Bob Farina, Director of Operations

Operations Dept.:

1. The Well #17 bio-film remediation process is completed and the well has been re-televised and re-assembled and all looks visually good, and most importantly our pumping yields have returned to normal.
2. Met with our engineering consultant Little & Associates at Wells 1, 2 & 3 so that we could finalize placement of the smaller G.A.C. filtration systems, set up soil testing for the foundations and ultimately finalize design.

Technical Operations Dept.:

3. All SCADA and communications systems are working fine.

4. In the process of securing a radio transmission assessment free of charge regarding the placement of low frequency radios at our Chestnut Street and Rt. 88 NJAW interconnect locations rather than paying our current contractor \$4000+ dollars. Either way we will receive an official documented assessment to aid in proper radio placement.

IT Dept.:

5. The card key access equipment upgrade for the Administration Bldg. is taking place on Dec. 5, 6 & 7th once completed, the New Hampshire Ave complex will be fully upgraded and next year we will work on the Shorrock St. facility.
6. The mobile link upgrade from 3G to 4G LTE for the Well #4 generator is completed. 5G is not available currently.
7. Restructuring of the security permissions for the Authority's main server and the implementation of 2-factor authentication is in progress and will ultimately ensure our compliances with the MEL/JIF and Water Quality Accountability Act guidelines.

GIS/ Cyber-Security Dept.:

GIS:

8. Developing a new digital form-based data collection of Water Plant and Well data points for Operations field staff use.
9. Preparing the year end Water Quality Accountability Act submittal due by late December.

Cyber-Security:

10. Finalizing the Water Quality Accountability Act Cyber-Security Program Controls Assessment for submission.
11. Submitted the Authority's Cyber-Security Program to MEL/JIF.

Senator Singer thanked Mr. Farina and his staff for keeping us ahead of the curve.

XI. Commissioners' Report

XII. MEETING OPEN TO THE PUBLIC

XIII. MEETING CLOSED TO THE PUBLIC

XIV. ADJOURNMENT

Motion to adjourn made by Mrs. Fish and seconded by Mayor Coles.
The meeting was adjourned at 10:35 A.M.

Respectfully submitted,

Robyn Gray,
Secretary, LTMUA