



Board of Commissioners

Senator Robert Singer, Chairman

P. G. Waxman, Vice Chairman

Raymond Coles, Treasurer

Anne Fish, Assistant Secretary

Craig Theibault, Commissioner

Samuel Flancbaum, Alt. Commissioner

Meir Lichtenstein, Alt. Commissioner

THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Regular Meeting Minutes

January 3, 2018

- I. Senator Singer opened the meeting at 3:04 P.M. in the Conference Room of the Lakewood Township Municipal Utilities Authority, 390 New Hampshire Avenue, Lakewood, New Jersey immediately following the Sewer Rate Hearing.
- 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, 2017 and The Tri Town News on February 15, 2017.
- III. **Salute to the Flag**
- IV. **Roll Call of Commissioners**
On a roll call the following Commissioners were present: Mr. Lichtenstein, Mr. S. Flancbaum, Mr. Theibault, Mr. Waxman, Mrs. Fish and Senator Singer. Mr. S. Flancbaum was seated as an alternate. The following professionals and key personnel were present: Mr. Adam Pfeffer, Esq., Mr. Gerwin Bauer Jr., Auditor, Mr. Justin Flancbaum, Executive Director, Mr. Daniel Rappoccio, CFO, Mr. Colin Farrell, CEng MIEI, Director of Engineering, Mr. Adam Ponsi, P. E., Mr. Robert Farina, Instrumentation Department Supervisor and Mrs. Nechama Lapa, Secretary.
- V. **Minutes**
A motion to approve the minutes of the Regular Meeting held on December 5, 2017, was made by Mr. Theibault and seconded by Mrs. Fish. On **voice vote**, all members present voted, "**Aye**". **Motion carried.**

Chief Financial Officer Report

1. Financial Results Review For December 31, 2017

The Authorities net position for the period ending December 31, 2017 is ahead of the budget by approximately \$162,000.00. The Authority's operating revenues as of December 31, 2017 is approximately \$1.2 Million which is \$153,000.00 ahead of budget. The main contribution to this is the residential water and sewer service charges in the amount of approximately \$156,000.00. The Authority's expenses as of December 31, 2017 are approximately \$1.2 Million. The expenses are relatively flat to the budget and favorable to the budget. The Authority is \$9,000.00 behind the budget.

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2. Motion to Approve Operating Voucher

Mr. Rappoccio provided the commissioners and Mr. J. Flancbaum with a list of abstentions. The total operating expenses total is \$400,303.90. The construction account amount to be disbursed is \$14,285.50. The escrow account will be disbursing \$33,276.75. The operating account will be disbursing \$386,048.40. A **motion** to approve operating vouchers in the amount of \$400,303.90 was made by Mrs. Fish, seconded by Mr. Theibault. On **roll call**, all members present voted, "**Yes**" with noted abstentions. **Motion Carried.**

3. Resolution to Approve Special Pay Plan

This is a resolution for INR Advisory Services to administer a 401(a) Special Pay Plan with Prudential. At last month's meeting there was a discussion about a plan that allows the employees to invest the unused sick and vacation days as they approach retirement in an investment vehicle. This has no cost to the Authority and is a nice investment opportunity for the employees as they approach retirement or leave the Authority. Senator Singer asked Mr. Rappoccio if he can call the Township Treasurer and let him know about this program. It is a great idea. Senator Singer said that when employees retire and they receive payment for the unused sick and vacation days it is received as ordinary income. In most cases they are paying around forty percent to taxes. With this plan, the money is put into the plan and pays taxes when the money is withdrawn. It is administered by Prudential. Mrs. Lapa read **Resolution #18-02 Establishment Of A 401(a) Special Pay Plan.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On **roll call**, all members present voted, "**Yes**". **Adopted.**

VI. Engineer's Report
Mr. Farrell's Report

1. County Line Manor Pump Station Upgrades Gravity Sewer Main

- Resolution Awarding Professional Services Contract

At this time the Authority may award a professional services contract to GTS Consultants based on their proposal dated July 12, 2016 for the soil borings and preparation of the construction specifications for the gravity sanitary sewer main to abandon the County Line Manor Pump Station in the amount of \$16,500.00. The Authority chose not to award this portion of the contract back in July 2016 until the design of the pump station upgrades and sewer main alignment were finalized. Mrs. Lapa read **Resolution #18-03 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.**

2. Vermont Avenue Water Main Extension

- Resolution Awarding Change Order #1

On December 20, 2017 the Authority received change order request no.1 from Remington Vernick for additional engineering work due to Authority requested changes in the proposed alignment of the water main in the amount of \$1,000.00. The Authority requested the changes after consultations with the property owner due to potential impacts of the original alignment. At this time the Authority may award change order no. 1 to Remington Vernick for additional engineering work due to Authority requested changes in the proposed water main alignment in the amount of \$1,000.00. Mrs. Lapa read **Resolution #18-04 Authorizing Change Order No. 1 Vermont Avenue Water Main Extension.** Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted.**

VII. Attorney's Report

Mr. Pfeffer said he has nothing to report at this time. Mr. Pfeffer thanked for the opportunity to join the Authority. He knows he has big shoes to fill. He will do his best. Senator Singer said that there will be a presentation at the Reorganization Meeting for Mr. Norman Smith.

VIII. Executive Director's Report

1. Resolution Authorizing Execution of a Risk Management Consultant's Agreement with Conner, Strong, & Buckelew

As in previous years Conner Strong has proposed an annual risk management fee equal to six percent of our 2018 JIF assessment. Our 2018 JIF assessment is \$81,296.07. The management fee would be \$4,877.76. Conner Strong has always provided excellent service to the Authority. Mr. J. Flancbaum recommends awarding this contract to them for 2018. Mrs. Lapa read **Resolution #18-05 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 Mrs. Fish. On a **roll call**, all members present voted, "**Yes**". **Adopted**.

2. Resolution Designating a Public Agency Compliance Officer (P.A.C.O)

Ms. Ellen Stensgaard has been the PACO Officer in the past. This is to ensure compliance with the Office of Equal Opportunity and Affirmative Action with the contracts. Mrs. Lapa read **Resolution #18-06 Designating Public Agency Compliance Officer (PACO)**. Motion was made by Mr. Waxman, seconded by Mr. S. Flancbaum. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

3. Resolution Ratifying Appointment of Interim Authority Counsel

At the December 5, 2017 monthly board meeting, our counsel Mr. Norman Smith tendered his resignation. The board appointed a subcommittee of Senator Singer and Mayor Coles to recommend an interim counsel until the Reorganization Meeting in February. The subcommittee recommended Mr. Adam Pfeffer of the law office of Levin, Shea, & Pfeffer. A phone poll of the commissioners on December 5, 2017 ratified their selection. Mrs. Lapa read **Resolution #18-07 Appointment Of Interim Counsel**. Motion was made by Mr. Waxman, seconded by Mr. S. Flancbaum. On a **roll call**, all members present voted, "**Yes**". **Adopted**.

4. Resolution Rejecting Proposal for Cleaning Services for Calendar Year 2018

A Request For Proposal opening was held on December 29, 2017. One proposal was received. Their price was significantly higher than what we have paid the last several years. Mr. Waxman asked what happened with the last company. Mr. J. Flancbaum said that the last company said that they forgot to submit a proposal. Mr. Waxman asked if the Authority has the option of redoing it. Mr. J. Flancbaum said yes, he is recommending that the one proposal received should be rejected. It is well below the bid threshold and the Play to Pay threshold. The Authority will solicit proposals directly from three different companies. Senator Singer said it is very difficult to find good cleaning help. If you were satisfied with last year's company it is certainly something that should be considered. Mr. Waxman asked the company name. Ms. Gaynor said Access. Mr. J. Flancbaum said their price is good and do a pretty good job. Mrs. Lapa read **Resolution # 18-08 Rejecting Proposal For Cleaning Services for The Year 2018**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

5. Resolution Awarding Contract for Laboratory Testing Services for Calendar Year 2018

Another Request For Proposal opening was held on December 29, 2017. One proposal was received from the current vendor Precision Analytical Services in Toms River. The Authority had a good experience with them the last couple of years. Mr. J. Flancbaum recommends awarding them the contract for 2018. Mrs. Lapa read **Resolution #18-09 Awarding Contract For Laboratory Testing Services**. Motion was made by Mr. Waxman, seconded by Mrs. Fish. On a **voice vote**, all members present voted, "**Aye**". **Adopted**.

6. NJUA-JIF Cyber Risk Management Program

As a member of the Utility Authority Joint Insurance Fund, the Authority is covered by cyber insurance through the MEL with a per claim deductible of \$10,000.00. The MEL has introduced a program which establishes a minimum set of proficiency standards and provides deductible reimbursement of up to \$7,500.00 if a member is in compliance with the minimum standards. There are two tiers. It looks like the Authority will meet the tier two requirements which will give the maximum reimbursement of \$7,500.00 in the event of a claim. The Authority will be submitting the certification. Tier two is better than tier one and provides the maximum reimbursement.

IX. Technical Operations Report

Field Operations Report:

1. LED Replacement Lighting at Shorrock Street WTP

In an effort to secure funding for LED and motion sensing lighting control for the Shorrock Street Water Treatment Plant, Mr. Rappoccio and I had a phone conference with the people from the NJ Clean Energy Program. They had advised us that we would be eligible to participate based on their study's recommendation of our facility. The next step is for them to forward us an application for the specific equipment funding that we seek. Upon its completion and submittal back to them, it will undergo a quick review and hopefully an approval.

2. Shorrock Street WTP Upgrades

The Shorrock Street Water Treatment Plant equipment storage and work area transformation is approximately seventy five percent complete. We also began the refurbishment of the utility room there as well which includes a hot water tank replacement and some plumbing fixtures which were beginning to malfunction. The hot water tank quantity was reduced from fifty gallons to thirty in order to save energy as well. Senator Singer asked Mr. Farina if he looked at a tankless water heater. Mr. Farina said it was checked into but for the amount of usage the Authority has it was way too much money.

3. Shorrock Street WTP CL2 System Upgrade

The Shorrock Street Water Treatment Plant chlorine delivery system and its piping are also being refurbished and replaced due to chronic malfunctions mainly due to age. The most expensive part of this effort is the pumps which were replaced a couple of years ago. It is basically some piping and mounting that need to be completed.

4. Sewer Jetter Truck Status

The new Sewer Jetter truck was received and is currently in the process of getting its lettering, road safety and operational equipment installed. Once the trucks outfitting is

complete, the Operations Manager and myself will put the entire Field Operations staff through extensive driver training and equipment operations training to insure both the safety to the personnel and the public.

Technical Operations Report:

5. SCADA Status

All SCADA and microwave systems are running normal.

6. Microwave Radio Project Status

Mr. Farina has directed the microwave contractor, IMT, to prepare to have an on-sight pre-construction meeting in order for the Authority technical staff and engineering to become fully acquainted with the contractor, its staff and the flow of the project. At this meeting I also advised the contractor to submit a complete project contract that can be submitted to the Authority attorney for a complete review and approval. When all of these obligations have been met, we will then produce a project start date and completion. Hopefully we will be able to put this project behind us for good.

IT Department Report:

7. Project Status

All ongoing IT efforts are in progress and moving forward.

GIS Report:

8. GPS Software Update

Upgraded software on GPS and Tablets and training will now resume.

9. Vassar Avenue Parcel Restrictions Report

The GIS Specialist, Mr. McClain, researched and provided analysis of the Vassar Avenue parcel restrictions provided to the Authority by the DEP using existing wetlands, flood zone, land use, etc. This will be of use for our Engineering Department.

Senator Singer asked for an update on the Solar Project. Mr. J. Flancbaum said it is progressing very nicely. They say that it will be finished by the end of this month. The panels are being installed today. Mr. Farrell, Mr. Farina and Mr. Robbins have been on top of this. Overall, it is going very well. Senator Singer said this is a good thing. Perhaps there should be a ribbon cutting ceremony.

X. Commissioners' Report

XI. Meeting Open To The Public

There was no response from the public.

XII. Meeting Closed To The Public

XIII. 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 3:25 P.M.

Respectfully submitted,

Nechama Lapa,
Secretary, LTMUA