



Board of Commissioners
Senator Robert Singer, Chairman
Mayor Raymond Coles, Vice Chairman
Craig Theibault, Treasurer
Anne Fish, Assistant Secretary
Yocheved Miller, Commissioner
Samuel Flancbaum, Alt. Commissioner
Meir Lichtenstein, Alt. Commissioner

THE LAKEWOOD TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Regular Meeting Minutes

June 8, 2022

- I. Senator Singer opened the meeting at 10:01 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, Mayor Coles, Committeeman Lichtenstein and Senator Singer.
The following professionals and key personnel were present: Mr. Adam Pfeffer, Esq., Mr. Gerwin Bauer, Auditor, Mr. Justin Flancbaum, 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 May 3, 2022, was made by Mayor Coles and seconded by Mrs. Fish. On **voice vote**, all seated members voted **"Aye."** **Motion carried.**
- VI. **Chief Financial Officer Report**
Given by Mr. Donald Sondak, CFO/Human Resources Director

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1. Mid-Year Financial Update

Mr. Sondak reported that revenue for the first half of the year is up by \$555, 000 mostly attributable to:

Connection Fees \$332,000
Residential Water & Sewer \$207,000

Expenses are up \$445,000 mostly attributable to:

OCUA Sewer \$168,000 (\$117,000 prior year deficiency)
Purchased Water \$178,000

Net position is up \$110,000

Year-to-date:

Revenue is ahead of budget by \$298,000 mostly attributable to:

Connection Fees \$719,000
Commercial & Industrial Water & Sewer \$90,000

Offset by Residential water and sewer \$501,000. Usage is consistent from last year, awaiting rate increases to show their effect starting April billing.

Expenses are below budget by \$140,000 mostly attributable to:

Healthcare and Retirement costs \$208,000
Offset by OCUA Sewer \$76,000 (\$117,000 prior year deficiency)

2. Operating Voucher

The Operating Voucher in the Board Packet is \$593,180.35. Mr. Sondak reported that there are no out-of-the-ordinary monthly issues to note so he recommends that the Board approve the Operating Voucher, at \$593,180.35 with noted abstentions.

- Motion was made by Mayor Coles and seconded by Committeeman Lichtenstein. **On voice vote**, all seated members voted “Yes” **with noted abstentions. Motion carried.**

Mr. Skip Bauer, Authority Auditor reported that the audit is going very well but in a holding pattern right now regarding the pension. The pension numbers should be out in the next week or two and the health benefits and actuarial anywhere from August to next year.

Senator Singer asked from an Audit perspective, when do you cancel old billings, do we reconcile at some point? Mr. Sondak said we are reconciling our receivables every month. Mr. Bauer said at some point it gets turned over to the Township Tax Collector. Mr. J. Flancbaum clarified that we have old escrow accounts, some go back 15, 20, 25 years and we are reconciling all those escrow accounts, we should be finished by then end of August.

Mr. Bauer added we are still holding security deposits from years ago. Customers were required to leave a \$105 security deposit and we are still holding about \$100,000. At some point the

Board will need to make a decision what to do with it, these people are no longer coming in. We have to write it off but the Board has to make the decision.

Senator Singer said let's write this off and told Mr. Sondak to bring that up with Mr. Bauer and to bring it to the Board when it's time. Mr. J. Flancbaum said many of these ledgers were kept by hand many years ago the accuracy is questionable.. We are going to do a full reconciliation.

VII. Engineer's Report

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

1. Update of Rules and Regulations

Mr. Ponsi stated that this is a motion approving Addendum #37. This is revising the construction detail #17, 1.5 or 2" Meter Pit Detail to revise the lay length the 2" meter to be 15.25". This revision is at the Authority Operation's Department request to standardize the size of the 2" meters in the system.

- **Motion Approving Addendum #37** to the Rules and Regulations. **Motion** was made by Mrs. Fish and seconded Mayor Coles. On **roll call**, all seated members voted **"Yes"**. **Adopted.**

2. 1990 Swarthmore Avenue School Conversion (*Yeshiva Toras Menachem, Inc-Chaim Mandel & Regency Developers-Abe Auerbach*)

Mr. Ponsi stated that at this time the authority may authorize the Executive Director to endorse applications for the 1990 Swarthmore Avenue School Conversion project. The OCUA and TWA approvals are required to do the proposed development generating over 8,000 gallons per day of sanitary sewer flow.

- **Resolution No. 22-43** Authorizing Executive Director to Endorse Applications 1990 Swarthmore Avenue School Conversion
Motion was made by Mayor Coles and seconded by Mrs. Fish. On **voice vote**, all seated members voted **"Aye"**. **Adopted.**

3. Lanes Mill Road School #6 (*Aderes Bais Yaakov-Gil Friedman*)

Mr. Ponsi stated that on May 18, 2022 GTS Consultants issued conceptual & technical Review #1. At this time the Authority may grant conceptual approval only (technical will come after they obtain their easements) for the Lanes Mill Road School #6 conditioned upon the GTS Consultants letter dated May 18, 2022.

- **Resolution No. 22-44** Granting Conceptual Approval Lanes Mill Road School #6
Motion was made by Mayor Coles and seconded by Mrs. Fish. On **voice vote**, all seated members voted **"Aye"**. **Adopted.**

4. Route 88 Office Building by NJAW (*KG Investments-Jack Klugman*)

On June 3, 2022 GTS Consultants issued technical review #4. At this time the Authority may grant conceptual and technical approval for the Route 88 Office Building by NJAW conditioned upon the GTS Consultants letter dated June 3, 2022.

- **Resolution No. 22-45** Granting Conceptual and Technical Approval Route 88 Office Building by NJAW
Motion was made by Committeeman Lichtenstein and seconded by Mrs. Fish. On **voice vote**, all seated members voted “**Aye**”. **Adopted.**

5. Chestnut Gardens (*Albert Greens LLC-Mordechai Eichorn*)

Mr. Ponsi stated on May 19, 2022 the Authority received a request from the applicant to reduce the performance guarantees. On June 3, 2022 the Authority issued a letter detailing the amounts the performance guarantees may be reduced. At this time the Authority may reduce the performance guarantees in the amounts as listed in the Authority’s letter dated June 3, 2022.

- **Resolution No. 22-46** Reducing Performance Guarantees Chestnut Gardens
Motion was made by Committeeman Lichtenstein and seconded by Mayor Coles. On **voice vote**, all seated members voted “**Aye**”. **Adopted.**

6. The Avenue Shoppes Retail Development (*New Hampshire Holdings, LLC-Mark Chopp & Marcy’s Clothing*)

Mr. Ponsi stated that on June 3, 2022 the Authority issued a letter indicating the conditions for the maintenance guarantees to be released. At this time the Authority may release the maintenance guarantees conditioned upon the Authority’s letter dated June 3, 2022.

- **Resolution No. 22-47** Releasing Maintenance Guarantees The Avenue Shoppes Retail Development
Motion was made by Committeeman Lichtenstein and seconded by Mrs. Fish. On **voice vote**, all seated members voted “**Aye**”. **Adopted.**

7. New Hampshire Heights (*H&H, LLC-Jack Mueller*)

Mr. Ponsi stated that on June 3, 2022 the Authority issued a letter indicating the conditions for the maintenance guarantees to be released. At this time the Authority may release the maintenance guarantees conditioned upon the Authority’s letter dated June 3, 2022.

- **Resolution No. 22-48** Releasing Maintenance Guarantees New Hampshire Heights
Motion was made by Committeeman Lichtenstein and seconded by Mrs. Fish. On **voice vote**, all seated members voted “**Aye**”. **Adopted.**

8. Well 16 Emergency

Mr. Farrell stated that Well #16 went down on April 25, 2022 due to an electrical failure of the motor windings which requires the replacement of the pump and motor. On May 3, 2022 Steffen Drilling issued a proposal for the work and equipment necessary to repair Well #16

in the amount of \$30,950.00. On June 3, 2022 the Authority issued a memo indicating the well failure and the necessity of the repair for the health and safety of the public. At this time the Authority may issue a resolution declaring an emergency to Well #16.

Senator Singer asked how old the pump was. Mr. J. Flancbaum explained that it was not old at all. A few years ago we put together a maintenance schedule for all the wells. Our plan was to do redevelopment every 3-4 years but they aren't lasting that long anymore; they are lasting 2 years at best. So instead of keeping the old submersible pumps and motors we are going back to the vertical turbine pumps so now they are above ground and hopefully this will help us out and we won't be going through this every couple of years.

- **Resolution No. 22-49** Declaring an Emergency Well #16
Motion was made by Mayor Coles and seconded by Mrs. Fish. On **voice vote**, all seated members voted **"Aye"**. **Adopted.**

At this time the Authority may award a contract under emergency conditions to Steffen Drilling for repairs at Well #16 in the amount of \$30,950.00.

- **Resolution No. 22-50** Awarding Contract Well 16 Repairs
Motion was made by Committeeman Lichtenstein and seconded by Mrs. Fish. On **voice vote**, all seated members voted **"Aye"**. **Adopted.**

9. Well 18 Emergency

Mr. Farrell stated that on May 9, 2022 Well #18 went down due to an electrical failure of the motor windings which requires the replacement of the pump and motor. On May 15, 2022 Steffen Drilling issued a quote to the Authority for work and equipment necessary to repair Well #18 and convert the well into a vertical turbine configuration in the amount of \$78,825.00. June 3, 2022 the Authority Engineer issued a memo indicating the well failure and the necessity of the repair for the health and safety of the public. At this time the Authority may issue a resolution declaring an emergency as recommended by the Authority Engineer as indicated in the memo dated June 3, 2022 for Well #18.

Senator Singer again asked how old this pump was and Mr. J. Flancbaum said, same as the other one, not more than a couple of years.

- **Resolution No. 22-51** Declaring an Emergency Well #18
Motion was made by Mayor Coles and seconded by Mrs. Fish. On **voice vote**, all seated members voted **"Aye"**. **Adopted.**

At this time the Authority may award a contract under emergency conditions to Steffen Drilling for repairs at Well #18 in the amount of \$78,825.00.

- **Resolution No. 22-52** Awarding Contract Well 18 Repairs
Motion was made by Mayor Coles and seconded by Mrs. Fish. On **voice vote**, all seated members voted **"Aye"**. **Adopted.**

10. Vassar Avenue to OCUA Conceptual Design and Cost Analysis

- Mr. Farrell stated that on May 2, 2022 the Authority received a proposal from T&M Associates for engineering services to provide a conceptual plan and cost analysis for improvements to the Authority’s sanitary sewer system from Vassar Avenue to the OCUA main located north of Swarthmore Avenue in the cost not to exceed amount of \$40,825.00. At this time the Authority may award a professional services contract to T&M Associates for engineering services to provide a conceptual plan and cost analysis for improvements to the Authority’s sanitary sewer system from Vassar Avenue to the OCUA main located north of Swarthmore Avenue in the cost not to exceed amount of \$40,825.00.

- **Resolution No. 22-53** Awarding Professional Services Contract Vassar Avenue to OCUA Conceptual Design and Cost Analysis
Motion was made by Mayor Coles and seconded by Mrs. Fish. On **voice vote**, all seated members voted “**Aye**”. **Adopted**.

11. Airport Road Tank Resurfacing

Mr. Farrell stated that on May 5, 2022 the Authority received 7 bids for the Airport Road Tank Painting 2022 project ranging from \$83,000 to \$226,900. June 1, 2022 the Authority received a letter from the consulting engineer Alaimo Group recommending approval to the lowest bidder Guimar General Contractor. At this time the Authority may award the contract to the lowest qualified bidder, Guimar General Contractor, for the Airport Road Tank Painting 2022 project conditioned on the review and recommendations of the Authority Attorney and Alaimo Group, and compliance with all PACO regulations/requirements in the amount of \$83,000.00.

- **Resolution No. 22-54** Awarding Contract Airport Road Tank Resurfacing
Motion was made by Committeeman Lichtenstein and seconded by Mayor Coles. On **voice vote**, all seated members voted “**Aye**”. **Adopted**.

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. NJDEP Water Allocation Permit

Mr. J. Flancbaum reported there is good news-we received our modified allocation permit from the DEP after many years and it’s exactly what we wanted. As a result of the permit we are going to drill three new wells; two new wells on Pine Street and a back up well on Shorrock Street. We are going to start gathering proposals to get that work done.

Committeeman Lichtenstein asked if this means we don't need to contract with Brick to purchase water anymore.

Mr. J. Flanca explained that we do need to go under contract with someone, we ended up contracting with NJAWCO for the long-term purchase. We will have to continue to purchase that water which was one of the conditions of the permit. This permit doesn't increase our annual allocations, it increases our monthly. This gives us more operational flexibility especially during the peak season.

Senator Singer added now we can pump it when we need it while we couldn't do that before. And also, with the two wells down now, this solves the problem.

Committeeman Lichtenstein asked why the DEP wouldn't want us to pump more. Senator Singer said these are our last wells, the DEP doesn't want any more wells.

2. 2022 Consumer Confidence Report

The Consumer Confidence Report is due out to our customers by July 1st. They are being sent next week. We send a postcard with our website to view the report or they can call the office and request a copy mailed to them. Then we send the certification to the DEP letting them know everything was completed on time.

3. Resolution Awarding Contract for Lining of Sewer Main and Manhole Rehabilitation.

RFP opening was conducted on June 1st for the lining of approximately 430' of 8" sanitary sewer main on Huntington Dr in Leisure Village and the rehab of two sanitary manholes.

We received one proposal from Vortex Services in the amount of \$33,665. Vortex has done a lot of work here and we recommend awarding them this contract.

- **Resolution No. 22-55 Awarding Contract Lining of the Sewer Main & Manhole Rehabilitation**

Motion was made by Committeeman Lichtenstein and seconded by Mrs. Fish. On **voice vote**, all seated members voted "Aye". **Adopted.**

Senator Singer took a moment to discuss the terrible accident in Monmouth where someone died going into a confined space. He realizes that we don't go into confined spaces but all procedures should be reviewed again in light of this tragedy.

X. Technical Operations Report

Given by Mr. Bob Farina, Director of Operations

Operations Dept:

1. Water treatment plant valve actuator replacements are moving along very well having placed the last order for actuators regarding the Shorrock WTP, then the sole focus can be with the completion of the New Hampshire Ave. WTP.
2. Well's 16 & 18 equipment is ordered and have multi week lead times to get said wells back up and running. Operations management has been making modifications to our other source water wells to minimize the impact of the out of service wells and keep up with the seasonal demands and continue our flushing effort as well.
3. Engineering and Operations Management have completed 6 separate visits to existing PFAS filtration systems all around our immediate region. We are now quite satisfied and confident that we have enough practical and working knowledge with the various types of media that are available and the proper configuration/installation of all the equipment that is included in the filtration plants that will enable us to keep tight control and oversight during the construction process to ensure that the Authority will receive the best deliverable facilities as practical.

Technical Operations Dept:

4. All SCADA and communications systems are up and running.
5. Some SCADA repairs, modifications and maintenances were performed throughout the month with assistance from our contractor.

IT Dept:

6. Replacement of the new card key access equipment has begun, starting with the Vehicle Storage Building since it is the first location that is experiencing multi-intermittent failures. The existing system is at the end of its life and the new system is much simpler and is not proprietary as any vendor shall be able to service and provide parts to it. In addition, the employees current FOB's will work with the new and old systems.
7. The 2nd floor server room network switch replacement is completed and up and running.
8. The vehicle GPS cellular upgrade from 3G to 4G has been completed with no cost to the Authority.
9. The SCADA alarm and historian software upgrade kickoff meeting was a success, and the server hardware equipment and software has been currently placed on order.

GIS/Cyber-Security Dept:

GIS:

10. In the process of gathering and summarizing planned and completed capital improvement projects, documenting valve exercising and hydrant inspections and some broad financial information for the annual submittal to the state for the WQAA.
11. Working on 1 to 1 verification of Edmunds accounts and service locations for input into the GIS system.

Cyber-security:

12. Contacted the consultant for the work regarding the MEL/JIF GAP analysis for the Cyber Risk Management Program. In addition, we are developing new policies to be adopted for protected information, banking controls, access controls and remote access for MEL/JIF submittal as well.
13. Currently awaiting the online submittal response for the newly implemented WQAA Cyber-security plan.

Mr. J. Flancbaum said with regard to what Mr. Farina was talking about, there is a new state law regulating lead service line inventories. We have to inventory all of our service lines even though we know we have no lead in our system. Mr. Flancbaum has asked the Construction Department to send us a list of all new permits as they come in.. Mr. Flancbaum communicated with Mike Saccomanno, the Director of the Construction Department and he said absolutely, no problem. Mr. Flancbaum communicated with him last week and confirmed again this morning. They will be sending us a list as they come in, not to inspect or regulate, just so we know what's happening and we know what material the service lines get replaced with so we can add it to our GIS System and submit to the state of NJ when required.

Senator Singer asked for an update on the replacement/fixing of meters. Mr. J. Flancbaum said as of last week, we had just under 200 in the latest billing cycle. We have replaced approximately 20 meters and have been able repair the others on site.. We do have enough meters currently in inventory to handle either replacing or fixing the meters we can't communicate with and also keeping up with new development. We did place an order for new meters a few months ago but like everything else these days, we don't know when they will arrive. We do have hundreds of meters in inventory. Mr. Ponsi and the Engineering Department have been working with the Operations Department to make sure we have enough to cover what development projects we have on the books now and then extra.

Senator Singer asked if broken meters are able to be repaired by the manufacturer. Mr. J. Flancbaum responded that the meters typically have a 10 year life span and these are all older than that. Mr. Farina added the communication end of the meter can be repaired but not the physical part.

XI. Commissioners' Report

XII. MEETING OPEN TO THE PUBLIC

XIII. MEETING CLOSED TO THE PUBLIC

XIV. ADJOURNMENT

A motion was made by Mayor Coles, seconded by Mrs. Fish to adjourn meeting. On voice vote, all members present voted, "**Aye**". The meeting was adjourned at 10:31 A.M.

Respectfully submitted,

Robyn Gray,
Secretary, LTMUA