

**CITY OF EAST ORANGE, NEW JERSEY
EAST ORANGE WATER COMMISSION
99 South Grove Street
East Orange, NJ 07018
TED R. GREEN, Mayor
REGULAR MEETING
June 21, 2023**

MINUTES

Minutes of a Regular Meeting of the Board of Water Commissioners held in the Conference Room of the East Orange Water Commission, 99 South Grove Street, East Orange, New Jersey on Wednesday, June 21, 2023.

I. CALL TO ORDER – 5:11 p.m.

ROLL CALL

PRESENT:

Commissioners

Alison Rolling

Shantel Harrison

Emmanuel O. Awe

Lauren Shears – approximately 5:18 pm

Sherkera Lucas - Excused

Staff

Joseph J. Tomashosky, Finance Consultant

John Liu, Executive Director

Thomas J. Matich, Operations Manager

Counsel

Denis Murphy, Esq. (Weiner Law)

Public

H. Johnson – 216 Elmwood Ave

Odell Rolling - 23 Madison Avenue, East Orange

The meeting was called to order, Commissioner Rolling determined that there was a quorum and convened the Regular Meeting.

Commissioner Rolling read the Rate Statement.

II. STATUS OF RESOLUTIONS

The Mayor has returned Resolutions #48 through #60. All resolutions are in full force and effect.

III. ADOPTION/CORRECTION OF MINUTES

7A: The Minutes of the May 16, 2023, Regular Meeting was approved on a motion made by Commissioner Harrison, seconded by Commissioner Awe and carried on the call for the Board to vote.

IV. EOBWC EXECUTIVE DIRECTOR REPORT AND COMMITTEE REPORTS

Joe advised that Board that we collected more money this month than we did the previous month. The previous month we collected about \$1.6 million and this month we collected \$2 million. So, what it means is, anything over 100% means we're collecting more than we are growing receivables. Unfortunately, we are low in terms of our collection rate and we're still below 100%. I believe that we have a great opportunity here to improve our budget performance, our surplus fund balance with better collections. In executive session we are going to be talking about one receivable and we will discuss some of the things that John's management team has been doing relevant to that. There are always things that can change dramatically in a utility of our size. As an example, we had a \$916,000 repair bill that hit us in the month of December. I'm certainly not able to forecast that. However, that is really an unusual thing for us. We haven't seen any of that type of magnitude before. We do put up adequate funding and we generally don't spend as much as we put in there but we are conservative in our forecasting because of how significant those things can be. In terms of our cash flow, that is a big opportunity. We have seen receivables grow over the last two months and we are in discussions with the City about going out to lien sale for all of our accounts in October. When they go out for lien sale, we have a potential of exceeding our budget. You will see in the confidential financial package that I do have receivables going up and then in November I have them coming back down because of what we saw last year when we weren't able to shut off during November 15th through March 15th. I think that there's an opportunity to succeed our cash receipts depending on how we handle the growth in inventories that we've been seeing and the growth in the percentage of receivables that have been increasing primarily in the greater than 52-day time frame. At this juncture, I see no reason why we can't make our budget. We certainly have challenges moving forward but I believe that our conservative budgeting will allow us to meet our budget.

A lengthy discussion was then held with regards to collection efforts and what else can be done to collect.

Tom Matich stated that presently our Lead Service Line Replacement - Phase 2 is going to impact the city as a whole. They are working with the engineering department so they can forecast what areas will be affected in this phase and also try to have the engineer identify the next phase so that they can plan their repaving project. The Main Division is splitting their time focusing both on addressing leaks and necessary maintenance and excavation in order to make turn offs successful, as well as, augmenting personnel to perform turn offs and help the Meter Department with the installations of meters. The Sewer Division is still working on daily maintenance for new hotspots that have been identified, as well as, trying to identify some areas of concern. We did

suffer some more collapses last month and the anticipation is that with the infrastructure continuing to age, we're going to have to address that sooner than later. The Meter shop is continuing with their meter change outs both large scale and small scale. They are doing a lot of no access turn-offs as well. Up at the plant, we most recently encountered an isolation valve to one of our large wells is failing. We're going to have to work towards that construction in order to have that replaced. That is one that is slotted for the well rehab of this next phase that's coming up. Tonight, one of the resolutions for us to discuss is the redevelopment of one of our wells. That will be going out to bid for the construction phase. Internal staff are working towards updating the lead service line inventory list, in order for the annual submission to the state next month. Coordinated efforts towards the Water Quality Accountability Act requirements that should be completed by the end of the year.

Director Liu advised the Board that as far as ongoing and current capital projects Woodland Avenue is completed. They did the final punch list last week. They finally finalized all the items to make sure that they all meet the specifications. That's all basically completed, there are a couple of minor things that the contractor has to address before we can close out the project. The Lead Service Line and the PFAS, I mentioned before that we're going to have a meeting with the City regarding the finance and bond issuing and to be able to finance through the New Jersey Infrastructure Bank. Those are the meetings I'm trying to schedule for July. I'll let everybody know how it goes. The Water Service Rate Study is going out. We finished the RFP and Nate is in the process of putting out the RFP. Once the RFP comes back, we'll be able to look at the rate and then come up with the best way to adjust our rate to meet demand, based on our operating costs and also future capital needs. We are working on the GIS, one of the key purposes for that is identifying all the lot and blocks to match with our accounts. We want to make sure that every lot and block that has a building has a meter. So, we are in the process of matching the lot and block to the GIS versus our current existing meter account. WQAA we are working on that certain item need to be addressed so we are addressing them. The I&I study, we have another incident at the William Street meter. Last Monday morning from 7:00 am to about 7:00 pm, we had a major influx of sewage into our system. Passaic Valley notified us of the meter changes, we don't know if the meter is malfunctioning or if somebody intentionally dumped sewage into our system. We are investigating that now. We talked about Eye Tracker that would be able to use to monitor the current situation in our sewage because again it's very important. We're paying our sewage based on the meter reading so those are things that we're working on. Dennis mentioned the new well D3. D3 is a completely new well that we redrilled because D3 cannot be rehabbed. It needs to be redrilled so that itself can give us almost 1.2 to 1.4 million gallons a day production. That is going to increase our production for our future needs. The Surge Tower, we just got the e-mail back from our engineer H2M. They just got the survey back, so they are working on some solutions to resolve the surge tower issue that we experienced with the neighbors. Next Friday we're going to have a meeting with them to come up with a better solution on how to monitor the surge tower and how to better utilize our pumps and make sure that we can minimize the surge to a minimum. We talked about the vacant house which we are probably going to demolish ourselves. Phase 1 Well Rehabilitation is in today's resolutions because we are shuffling the money. There's an additional \$300,000 that needs to be put into this contract because the \$400,000 that was put in there last year were not going to be able to use that money. That money is relocated to this year. The conversion project is ongoing and going well.

V. PRESENTATION

NONE

VI. UNFINISHED BUSINESS

Lawsuits – update in Executive Session
Demolitions – Water Houses

VII. NEW BUSINESS/COMMUNICATIONS

Letter to Director Blake regarding water shut-off in building at 255 Prospect St. – discussion in Executive Session.

VIII. APPROVAL OF RESOLUTIONS

The following resolutions 13A through 13J were presented to the Board for approval.

A motion to omnibus and approve Resolutions 13A through 13H was made by Commissioner Harrison, seconded by Commissioner Shears and carried unanimously on the call for the Board to vote.

13A: Resolution ratifying the May 2023 recurring monthly bills paid in the amount of \$17,034.50

13B: Resolution authorizing the approval and payments of Operating Bills in the amount of \$3,170,491.64

13C: Resolution ratifying the payment of May 2023 Payrolls in the total amount of \$371,663.72

13D: Resolution authorizing the payment of Capital invoices for the month of May 2023 in the amount of \$182,128.25

13E: Resolution authorizing the July 2023 Temporary Budget in the amount of \$1,990,151.00

13F: Resolution to amend the existing contract award through the use of North Jersey Wastewater Cooperative pricing system (NJWCPS) for service on pumps, motor repair-replacement and installation with A.C. Shultes, Inc. for an additional amount of \$350,000.00 to a total not to exceed amount of \$550,000.00

13G: Resolution authorizing a contract for financial advisory to Joseph Tomashosky for a total contract amount not to exceed \$193,200.00

13H: Resolution authorizing the purchase of vehicles: Three (3) Ford Escapes (SUV), and One (1) Chevrolet Tahoe (SUV) and Two (2) Chevrolet Silverado's through New Jersey State Contract #20-Fleet-01393, #21-Fleet-01485 and 20-Fleet-01190 at a cost not to exceed \$325,627.08

13I: Resolution authorizing appointments of Laborers 1 positions

Tabled

13J: Resolution authorizing appointment of a Business Manager

Tabled

IX. PUBLIC COMMENT

None

X. EXECUTIVE SESSION

14A: Resolution for Closed Session

Resolution 14A was approved on a motion made by Commissioner Harrison, seconded by Commissioner Lucas, and carried unanimously on the call for the Board to vote.

The Board went into Executive Session to discuss the following at approximately 6:14. pm:

1. Personnel Committee
2. Contracts and Litigation Matters

The Board came out of Executive Session at approximately 8:41 p.m.

XI. REINTRODUCTION OF RESOLUTIONS

The agenda was amended to include Resolution 13K on a motion made by Commissioner Harrison, seconded by Commissioner Shears and carried unanimously on the call for the Board to vote.

13I: Resolution authorizing appointments of Laborers 1 positions

Resolution 13I was approved on a motion made by Commissioner Harrison, seconded by Commissioner Shears and carried unanimously on the call for the Board to vote.

13J: Resolution authorizing appointment of a Business Manager

Resolution 13J was approved on a motion made by Commissioner Harrison, seconded by Commissioner Shears and carried on the call for the Board to vote. Commissioner Rolling voted NO.

13K: Resolution authorizing the preparation of Bid Specifications and for the Advertisement and Solicitation of Sealed Bids for the redevelopment of Dickenson Well No. 3 Project

Resolution 13K was approved on a motion made by Commissioner Harrison, seconded by Commissioner Shears and carried unanimously on the call for the Board to vote.

There being no further business, the meeting was adjourned at approximately 8:43 pm.

THESE MINUTES ARE OF NECESSITY CONDENSED AND ABRIGED AND DO NOT PURPORT TO CONTAIN THE FULL CONTENTS OF THE MATTERS DISCUSSED.

SONYA BUTLER
TRANSCRIBER