

**LACEY MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
MARCH 3, 2010**

Pledge of Allegiance

ROLL CALL

The regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, March 3, 2010 and was called to order at 7:00 p.m. by James Knoeller, Chairman. Other members present were Michael Masciale, Richard Kennedy, Barbara Lanuto, and Jack Nosti. Also present were Jerry Dasti, attorney; Alan Dittenhofer, engineer; Felipe Contreras, engineer; Frank Holman, auditor; Edward A. Woolf, Executive Director, and Kathleen Barrett, Assistant Director. Brian Reid, Lacey MUA/Township Committee Liaison also attended the meeting.

**“SUNSHINE
LAW”
STATEMENT**

Mr. Knoeller read the following statement.

Notice of this meeting was adequately provided pursuant to Public Law 1975, Chapter 231.

Such Notice was posted at both the Lacey Township Municipal Building and at the Office of the Lacey Municipal Utilities Authority, Forked River, New Jersey.

Such Notice was forwarded to the following newspapers:

- a. Asbury Park Press
- b. Atlantic City Press

Such Notice was also forwarded to the Lacey Township Clerk for posting and filing.

Mr. Knoeller thanked the commissioners in reappointing him as chairman.

**APPROVAL
OF MINUTES**

Reorganization and Regular Meeting of February 3, 2010 - A motion was made by Mr. Kennedy and seconded by Mr. Nosti to approve the minutes of the Reorganization and Regular Meeting of February 3, 2010. Roll call vote: Kennedy-Yes; Nosti-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Abstain. Motion passed.

Closed Session Meeting of February 3, 2010 – A motion was made by Mrs. Lanuto and seconded by Mr. Nosti to approve the minutes of the Closed Session Meeting of February 3, 2010. Roll call vote: Lanuto-Yes; Nosti-Yes; Kennedy-Yes; Masciale-Yes; Knoeller-Abstain. Motion passed.

**EXECUTIVE
DIRECTOR’S
REPORT**

Cash Balance Report - Period Ending January 31, 2010 - Mr. Woolf summarized the cash balances for period ending January 31, 2010 as follows: Total cash balance for the unrestricted accounts were \$4,724,647.05, with earnings of \$4,741.58. Total cash balance for the restricted accounts held by the trustee were \$5,849,760.60, with earnings of \$6,862.04. Current period interest on the restricted and unrestricted accounts was \$11,603.62. Year-to-date earnings on all interest bearing accounts were \$11,603.62.

Resolution 2010-22 - Appoint Computer Consultant – D & M Associates - A motion was made by Mr. Kennedy and seconded by Mr. Masciale to adopt *Resolution No. 2010-22, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing David J. Kubiak of D & M Associates as Authority Computer Consultant*. Roll call vote: Kennedy-Yes; Masciale-Yes; Nosti-Yes; Lanuto-Yes; Knoeller-Yes. Motion passed.

Resolution 2010-20 – Appoint Financial Advisor/Investment Manager – Cavanaugh Capital Management – A motion was made by Mr. Kennedy and seconded by Mrs. Lanuto to adopt *Resolution 2010-20, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Cavanaugh Capital Management as Authority Financial Advisor/Investment Manager*. Roll call vote: Kennedy-Yes; Lanuto-Yes; Nosti-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Resolution 2010-37 – Transfer of Funds – 2009 Sewer Budget – On recommendation by the executive director, a motion was made by Mr. Masciale and seconded by Mr. Nosti to adopt *Resolution 2010-37, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Authorizing Transfer of Funds, 2009 Sewer Budget*. Roll call vote: Masciale-Yes; Nosti-Yes; Lanuto-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Mr. Woolf stated the Authority received the New Jersey Utilities Authority Joint Insurance Fund award for complying with the insurance company's safety incentive program. He acknowledged Darren Coraggio for doing an outstanding job as the Authority's Compliance Officer.

BUSINESS REPORT

February Meter Reads – Ms. Barrett reported 3,788 meters were read in February for Cycles 3 and 9. Fifty-eight work orders were cut to obtain manual reads not obtained during regular meter read routes. Twelve reads were questioned because of high usage. Seven customers were contacted by phone. Five customers were sent letters.

March Billing – Ms. Barrett reported utility bills were mailed/hand delivered on March 2nd in the amount of \$650,486.82. Penalties were assessed on 3,230 past due accounts (all cycles) in the amount of \$13,020.25 for a total billing in March of \$663,507.07.

Customer Service – Ms. Barrett reported seventeen new customer welcome letters were mailed in January and four responses were received in February. Thirty-one final reads with equipment inspections were performed in February with no violations.

Tax Sale – Ms. Barrett reported the final list was certified to the Tax Collector as of the close of business day on February 9th in the amount of \$225,443.00 on 294 accounts. Prior to the tax sale the Tax Collector's office collected LMUA charges for 69 accounts totaling \$58,872.32. The Tax Collector sold liens on 225 accounts in the amount of \$166,570.68. The Authority collected \$13,671.81 in preparation costs, which has been paid to the Township.

MUAA – Ms. Barrett reported the MUAA dinner/meeting would be held on Thursday, March 11th. The speaker topic will be renewable solar energy.

**ENGINEER'S
REPORT**

Resolution 2010-36 – Cash Maintenance Guarantee Release – Closeout Escrow Account – Gary Italiano – On recommendation by the Authority's engineer, a motion was made by Mr. Kennedy and seconded by Mrs. Lanuto to adopt *Resolution 2010-36, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Cash Maintenance Guarantee Release, Close Out Developer Escrow Account, Gary Italiano – Block 1635, Lot 31*. Roll call vote: Kennedy-Yes; Lanuto-Yes; Nosti-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Change Order No. 1 – Beach Boulevard Bridge – CRJ Contracting Corp. - At the recommendation of the executive director, the change order is tabled until the next meeting.

Change Order No. 1 – Construction of Wells No. 7 & 8 – A.C. Schultes, Inc. – On recommendation by the Authority's engineer, a motion was made by Mr. Masciale and seconded by Mr. Kennedy to approve Change Order No. 1 representing final well design, sealing of the borehole and relief screen for a net contract decrease of (\$1,584.00). Roll call vote: Masciale-Yes; Kennedy-Yes; Nosti-Yes; Lanuto-Yes; Knoeller-Yes. Motion passed.

Wells and Water Treatment Plant at Well No. 1 – Mr. Dittenhofer stated construction of test well No. 7 is complete, and the 24-hour pump test is done. He stated water quality sample results should be provided in a few weeks. Preliminary data on the chloride for the well is low; therefore, there should not be any saltwater intrusion problems. Site restoration will be completed before test well No. 8 drilling starts.

Beach Boulevard Bridge Utility Relocation – Mr. Dittenhofer stated this project is complete and water and sewer mains were placed into service.

Repainting of Tank No. 2 – Mr. Dittenhofer stated the contract documents are being prepared, and a preconstruction meeting has been scheduled.

Maintenance Garage Re-Roofing – Mr. Dittenhofer stated the contract documents are being prepared, and a preconstruction meeting has been scheduled.

Cleaning and Televising Contract No. 6 – Mr. Dittenhofer stated the contract documents are being prepared, and a preconstruction meeting has been scheduled.

Municipal Lane Pump Station Upgrades & Standby Non-Clog Pumps – Mr. Dittenhofer stated the contract documents are being prepared, and a preconstruction meeting has been scheduled.

**ATTORNEY'S
REPORT**

Resolution 2010-35 – Rejecting Bids for Flow Assessment Monitoring for Cleaning & Televising Contract No. 6 – On recommendation by the Authority's attorney, a motion was made by Mr. Masciale and seconded by Mr. Kennedy to adopt *Resolution 2010-35, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Rejecting all Bids for the Flow Assessment Monitoring for the Cleaning*

and Televising Contract No. 6. Roll call vote: Masciale-Yes; Kennedy-Yes; Nosti-Yes; Lanuto-Yes; Knoeller-Yes. Motion passed.

Lacey Township Lease Agreement – Mr. Dasti stated he sent a letter to the Township’s Attorney regarding the Authority’s concerns with regard to the draft lease agreement prepared by their office. As of this date, a response has not been received.

AUDITOR’S REPORT

Accountant’s Status Report – Month Ended January 31, 2010 – Mr. Holman reported an unfavorable variance on user charges. Revenues are above budget, and expenses are under budget. He stated the year-end audit is complete, and a meeting is scheduled with the Finance Committee for March 23rd to discuss the audit.

CORRESPONDENCE

Robin Paczkowski, Cedarwood Drive – Ms. Paczkowski is requesting relief of utility bill, due to a leaking pipe. Since the water did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Masciale to grant a credit adjustment on the sanitary sewer charges in the amount of \$34.53 (11,800 gallons). Roll call vote: Kennedy-Yes; Masciale-Yes; Nosti-Yes; Lanuto-Yes; Knoeller-Yes. Motion passed.

Mr. & Mrs. Moore, 5 Hollywood Blvd. S – Mr. & Mrs. Moore are requesting relief of utility bill, due to a water leak. Since the water did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Masciale to grant a credit adjustment on the sanitary sewer charges in the amount of \$164.83 (52,500 gallons). Roll call vote: Kennedy-Yes; Masciale-Yes; Nosti-Yes; Lanuto-Yes; Knoeller-Yes. Motion passed.

OLD BUSINESS

Professional Services Agreement – Gluck, Walrath, LLC – Authority Bond Counsel
Chairman Knoeller and Secretary Kennedy executed the Professional Services Agreement between the Lacey Municipal Utilities Authority and Gluck, Walrath, LLC for the period from February 4, 2010 to February 2, 2011.

Professional Services Agreement – Dasti, Murphy, McGuckin, Ulaky, Cherkos & Connors – Authority Attorney – Chairman Knoeller and Secretary Kennedy executed the Professional Services Agreement between the Lacey Municipal Utilities Authority and Dasti, Murphy, McGuckin, Ulaky, Cherkos & Connors for the period from February 4, 2010 to February 2, 2011.

Professional Services Agreement – Holman & Frenia, P.C. – Authority Auditor – Chairman Knoeller executed the Professional Services Agreement between the Lacey Municipal Utilities Authority and Holman & Frenia, P.C. for the period from February 4, 2010 to February 2, 2011.

Professional Services Agreement – Birdsall Engineering, Inc. - Authority Conflict Engineer – Chairman Knoeller and Secretary Kennedy executed the Professional Services Agreement between the Lacey Municipal Utilities Authority and Birdsall Engineering, Inc. for the period from February 4, 2010 to February 2, 2011.

Professional Services Agreement – Connor Strong Companies, Inc. - Authority Risk Management Consultant – Chairman Knoeller and Secretary Kennedy executed the Professional Services Agreement between the Lacey Municipal Utilities Authority and Connor Strong Companies, Inc. for the period from February 4, 2010 to February 2, 2011.

**NEW
BUSINESS**

Mr. Knoeller asked Mr. Woolf the status on the grease trap inspection program. Mr. Woolf stated the engineer has been adamant about making sure the right equipment is required for all restaurants. Instead of having a grease trap under the sink, it will be required that restaurants have interceptors in the parking lot. Mr. Knoeller asked Mr. Woolf to provide the board with a plan of action for the April meeting. Mr. Masciale asked that an enforcement plan also be included.

**PUBLIC BUSINESS/
COMMENT**

Regina Discenza – Mrs. Discenza informed the board that she attended the Board of Adjustment meeting. She stated the T-Mobile cell tower at the Lacey Retail Center site was discussed, and T-Mobile's engineer testified they are moving a storm drain at the base of the tower. Additionally, they stated that gravel would be placed over the grass under the tower, as well as moving/changing a sidewalk. Mrs. Discenza stated at the last LMUA board meeting, T-Mobile indicated that no storm drains were going to be moved.

Mrs. Discenza asked when is the Beach Boulevard Bridge expected to be finished. Mr. Knoeller stated it is expected to be a six-month project. He noted that the bridge has not been taken down yet. Mr. Reid stated originally it was a 3-4 month project; however, due to weather and construction setbacks the project is on going.

Mr. Masciale asked if the storm drain is moved at the cell tower, would it have any impact on the Authority. Mr. Woolf stated as long as the storm water is not diverted to the other basin there would be no impact. Mr. Masciale asked Mr. Woolf to look into this.

**PAYMENT OF
VOUCHERS**

WHEREAS, the members of the Lacey Municipal Utilities Authority carefully examined all vouchers presented for payment of claims;

NOW, THEREFORE, BE IT RESOLVED by the Lacey Municipal Utilities Authority that:

1. Said vouchers in the sum of \$1,524,816.97 be and the same are hereby approved to be paid.
2. Said vouchers are listed on the attached computer check register.

A motion was made by Mr. Masciale and seconded by Mr. Kennedy to adopt the above resolution. Roll call vote: Masciale-Yes; Kennedy-Yes; Nosti-Yes; Lanuto-Yes; Knoeller-Yes. Motion passed.

**CLOSED
SESSION**

RESOLUTION

WHEREAS, Section 8 of the Open Public Meetings Act, Chapter 231, Public Law 1975 permits the exclusion of the public from a meeting in certain circumstances;

WHEREAS, this public body is of the opinion that such circumstances presently exist.

NOW, THEREFORE, BE IT RESOLVED by the Lacey Municipal Utilities Authority, County of Ocean and State of New Jersey as follows:

1. The public shall be excluded from discussion of action upon the hereinafter specified subject matter.
2. The general nature of this closed session concerns contract negotiations.
3. It is anticipated at this time that the above-stated matter will be made public once this matter has been resolved.
4. This resolution shall take effect immediately.

A motion was made by Mr. Masciale and seconded by Mrs. Lanuto to adopt the above resolution. Roll call vote: Unanimously approved.

Separate minutes were kept on the above closed session.

**RE-OPEN
MEETING**

A motion was made by Mr. Masciale and seconded by Mr. Kennedy to reopen the meeting. Roll call vote: Unanimously approved.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 7:30 p.m.

Respectfully submitted,

Michele Kennedy
Secretary

