

**LACEY MUNICIPAL UTILITIES AUTHORITY  
REGULAR MEETING  
MARCH 7, 2012**

Pledge of Allegiance

**ROLL CALL**

A Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, March 7, 2012 and was called to order at 7:00 p.m. by James Knoeller, Chairman. Other members present were Michael Masciale, Richard Kennedy, Arthur Miklosey, Nick Juliano, and Ralph Lanuto. Also present were Jerry Dasti, attorney; Alan Dittenhofer, engineer; Frank Holman and Jerry Conaty, auditors; Edward A. Woolf, Executive Director, and Kathleen Barrett, Assistant Director.

**“SUNSHINE  
LAW”  
STATEMENT**

Mr. Knoeller read the following statement.

Notice of this regular 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.

**APPROVAL  
OF MINUTES**

**Reorganization and Regular Meeting of February 1, 2012** - A motion was made by Mr. Masciale and seconded by Mr. Miklosey to approve the minutes of the Reorganization and Regular Meeting of February 1, 2012. Roll call vote: Masciale-Yes; Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

**Closed Session Meeting of February 1, 2012** - A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to approve the minutes of the Closed Session Meeting of February 1, 2012. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**EXECUTIVE  
DIRECTOR'S  
REPORT**

**Cash Balance Report - Period Ending January 31, 2012** - Mr. Woolf summarized the cash balances for period ending January 31, 2012 as follows: Total cash balance for the unrestricted accounts were \$3,247,389.43, with earnings of \$1,645.52. Total cash balance for the restricted accounts held by the trustee were \$4,501,845.80, with earnings of \$1,629.44. Current period interest on the restricted and unrestricted accounts was \$3,274.96. Year-to-date earnings on all interest bearing accounts were \$3,274.96.

**Resolution 2012-25 – Reappointing Tammy Fetherman and Debra Kipikasha as Representatives to discuss matters with the US Treasury IRS** - A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to adopt *Resolution No. 2012-25, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Reappointing Tammy Fetherman and Debra Kipikasha as Representatives Authorized to Discuss Matters with the United States Department of Treasury Internal Revenue Service*. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**Resolution 2012-26 – Official Intent to Reimburse Expenditures for Project Costs from Proceeds of Debt Obligations** – Mr. Woolf explained this Resolution is a requirement in applying for a loan for the Water Treatment Plant project. On recommendation by the executive director, a motion was made by Mr. Masciale and seconded by Mr. Miklosey to adopt *Resolution 2012-26, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Declaring its Official Intent to Reimburse Expenditures for Project Costs from the Proceeds of Debt Obligations*. Roll call vote: Masciale-Yes; Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

**Public Officials Training** – Mr. Woolf informed the Board that the Public Officials Training is scheduled on April 4<sup>th</sup> at 6:00 p.m. He explained MEL/JIF would reduce the LMUA’s liability premium by \$250.00 for each public official that attends the training for a potential savings of \$2,000.00 off the insurance premium. Mr. Miklosey asked Mr. Woolf to remind the Commissioners the day before the meeting.

## **BUSINESS REPORT**

**February Meter Reads** – Ms. Barrett reported 3,800 meters were read in February for Cycles 3 and 9. One hundred thirty six work orders were cut to obtain manual reads not obtained during regular meter read routes. Seven reads were questioned for high usage. Five customers were contacted by phone and two customers were sent a letter.

**March Billing** – Ms. Barrett reported utility bills were mailed on March 5<sup>th</sup> in the amount of \$699,260.28. Penalties were assessed on 3,481 past due accounts (all cycles) in the amount of \$14,330.19 for a total billing in March of \$713,590.47.

**Customer Service** – Ms. Barrett reported twenty-eight new customer welcome letters were mailed in January, and eighteen responses were received in February. Twenty-five final reads with equipment inspections were performed in February with no violations.

**Tax Lien Sale** – Ms. Barrett reported the tax lien sale was held on Friday, February 3<sup>rd</sup>. The Tax collector sold liens on 324 LMUA accounts in the amount of \$314,323.77. Two LMUA accounts, in the amount of \$2,374.61, were not sold to 3<sup>rd</sup> parties; therefore, the Tax Collector will hold the liens on those accounts. The Authority collected \$9,300.58 in preparation costs, which has been paid to the Township.

**MUAA** – Ms. Barrett reported the MUAA dinner/meeting will be held on Thursday, March 8<sup>th</sup>. The topic of discussion will be Rags & Towels in the sewer system.

Mr. Knoeller acknowledged the letter the Authority received from the Tax Collector commending LMUA staff on their assistance with the tax sale.

#### **ENGINEER'S REPORT**

**Water Treatment Plant No. 1 Upgrades** – Mr. Dittenhofer stated his office is waiting for the BSDW construction permit from the state. All information has been submitted.

**Cleaning and Televising Contract No. 6 & Flow Assessment** – Mr. Dittenhofer stated one lateral is still pending.

**Cleaning and Televising Contract No. 7** - Mr. Dittenhofer stated the contract documents have been prepared, and a preconstruction meeting was held. This project is expected to begin at the end of the month.

**Installation of Hydraulic Grinder at L-2 Pump Station** – Mr. Dittenhofer stated a preconstruction meeting was held, and a Notice to Proceed was issued. This project is to start in eight weeks.

#### **ATTORNEY'S REPORT**

**Crown Castle Lease Extension Bridge Damage** – Mr. Dasti stated Chris Felder of Crown Castle is insisting on an extension of the Lease, but refuses to consider consideration to be paid to the Authority for this concession.

**Oceanfirst Financing** – Mr. Dasti recommended this issue be discussed in closed session.

**OCUA Issues** – Mr. Dasti stated a meeting is scheduled with representatives from the OCUA to discuss this issue on Friday, March 9<sup>th</sup>.

**A & F Development** – Mr. Dasti stated his office reviewed and approved the closeout documents for this project.

**Chemical Contract Bids for 2012** – Mr. Dasti stated his office reviewed the bid documentation submitted for this project.

**Hydraulic Communitor at L2** – Mr. Dasti stated his office reviewed the contract documents submitted for this project.

#### **AUDITOR'S REPORT**

**Accountant's Status Report – Month Ended January 31, 2012** – Mr. Holman reported revenues had an unfavorable variance on both water and sewer. Ms. Barrett provided Mr. Holman with a report outlining a five-year revenue history. He indicated there is \$100,000.00 less in revenue on what was reported same time last year. He stated he would be monitoring this closely. Mr. Knoeller stated the deficiency may be related to the OCUA issue, as well as the economy.

#### **CORRESPONDENCE**

**Guy Ziegenbald, Tiller Drive** – Requesting relief of utility bill, due to leaking hot water heater. Since the water from the leak did not go into the sewer system, a motion

was made by Mr. Kennedy and seconded by Mr. Miklosey to grant a credit adjustment on the sewer charges in the amount of \$119.75 (41,000 gallons). Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**Richard Di Brino, Laurel Blvd.** – Requesting relief of utility bill, due to disconnected water line at dock. Since the water that leaked did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to grant a credit adjustment on the sewer charges in the amount of \$52.16 (25,000 gallons). Roll call vote: Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**Michael McGuire, Oak Lane** – Requesting relief of utility bill, due to a toilet leak. After consideration of the request, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey granting customer additional time to pay the February 2012 bill. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**Peter Hutto, Clubhouse Drive** – Requesting relief of utility bill due to water leak. Since the water from the leak 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 sewer charges in the amount of \$481.28 (75,000 gallons). Roll call vote: Kennedy-Yes; Masciale-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

**OLD  
BUSINESS**

**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 2, 2012 to February 6, 2013.

**Professional Services Agreement – Forked River Medical Specialists – Authority Physicians** – Chairman Knoeller and Secretary Kennedy executed the Professional Services Agreement between the Lacey Municipal Utilities Authority and Forked River Medical Specialists for the period from February 2, 2012 to February 6, 2013.

**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 2, 2012 to February 6, 2013.

**Professional Services Agreement – Richard Meinders, P.C. – Authority Conflict Attorney** – Chairman Knoeller executed the Professional Services Agreement between the Lacey Municipal Utilities Authority and Richard Meinders, P.C. for the period from February 2, 2012 to February 6, 2013.

**Professional Services Agreement – Birdsall Services Group – Authority Conflict Engineer** - 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 2, 2012 to February 6, 2013

**Professional Services Agreement – Holman & Frenia, P.C. – Authority Auditor** – Chairman Knoeller executed the Professional Services Agreement and Deferred Compensation Plan Audit between the Lacey Municipal Utilities Authority and Holman & Frenia, P.C. for the period from February 2, 2012 to February 6, 2013.

**NEW  
BUSINESS**

Mr. Knoeller asked Mr. Dittenhofer for the status in going out for bids for construction of the new water treatment plant. Mr. Dittenhofer stated his office is prepared to advertise to receive bids; however, the permit from the State has yet to be issued. He anticipates receiving the permit in April. In the interim, Mr. Knoeller recommended the Authority proceed in finalizing the financing with Oceanfirst Bank, as well as moving forward with the bid process. Bids will not be executed until the permit from the State is issued. The Board concurred.

**PUBLIC BUSINESS/  
COMMENT**

There was no public business/comment.

**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 \$1,071,600.30 be same are hereby approved to be paid.
2. Said vouchers are listed on the attached computer check register.

A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to adopt the above resolution. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes, but abstains on South Jersey Auto Supply; Masciale-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 potential litigation.

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 Mr. Miklosey 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. Miklosey 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 7:25 p.m.

Respectfully submitted,

Michele Kennedy  
Secretary