

**LACEY MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
JULY 10, 2013**

Pledge of Allegiance

ROLL CALL

A Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, July 10, 2013 and was called to order at 7:00 p.m. by James Knoeller, Chairman. Other members present were Michael Masciale, Richard Kennedy, Nick Juliano, Jack Nosti and Ralph Lanuto. Also present were Jerry Dasti, attorney; Frank Holman, auditor; Alan Dittenhofer, engineer; Felipe Contreras, engineer; and Edward A. Woolf, Executive 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**

Regular Meeting of June 5, 2013 - A motion was made by Mr. Masciale and seconded by Mr. Kennedy to approve the minutes of the Regular Meeting of June 5, 2013. Roll call vote: Masciale-Yes; Kennedy-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

**EXECUTIVE
DIRECTOR'S
REPORT**

Cash Balance Report - Period Ending May 31, 2013 - Mr. Woolf summarized the cash balances for period ending May 31, 2013 as follows: Total cash balance for the unrestricted accounts were \$6,000,169.74, with earnings of \$1,187.88. Total cash balance for the restricted accounts held by the trustee were \$6,736,129.77, with earnings of \$5,288.83. Current period interest on the restricted and unrestricted accounts was \$6,476.71. Year-to-date earnings on all interest bearing accounts were \$25,983.29.

Forked River Volunteer Fire Department – Mr. Woolf reported the Forked River Volunteer Fire Department is sponsoring the Cole Brothers Circus on August 16th through 18th. They are requesting the use of a fire hydrant and 2½ inch connection. A motion was made by Mr. Nosti and seconded by Mr. Kennedy authorizing the Forked River Volunteer Fire Department the use of a fire hydrant and 2-½ inch connection for the circus. Roll call vote: Nosti-Yes; Kennedy-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Resolution 2013-41 – Award Contract for Hydraulic Comminutors at P.P. and L-4 Pump Stations – KRS Services, Inc. – On recommendation by the executive director, a motion was made by Mr. Masciale and seconded by Mr. Kennedy to adopt *Resolution 2013-41, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Awarding Contract for the Hydraulic Comminutors at P.P. and L-4 Pump Station to KRS Services, Inc.* The contract is in the amount of 96,960.00.

Mr. Knoeller stated he is aware that TKT Construction is protesting the contract being awarded to KRS Services. Mr. Dasti explained TKT was the second lowest bidder, and their protest is that KRS Services did not name their electrician subcontractor. He stated it is his recommendation is to award the contract to the lowest bidder, KRS Services. Roll call vote: Masciale-Yes; Kennedy-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

Resolution 2013-43 – Making Application to Local Finance Board – Noreen White of Acacia Financial was present to discuss the application to the local finance board in terms of refunding several series of outstanding Bonds for debt service savings. The Bonds that are proposed to be refunded are Series 2002 Bonds, Series 2003B Bonds, and Series 2012 Bonds (Ocean First Loan). Additionally, her firm has been monitoring the Series 2003A Bonds and recommends it be included within the Local Finance Board application.

On recommendation by the executive director, a motion was made by Mr. Kennedy and seconded by Mr. Nosti to adopt *Resolution 2013-43, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Making Application to the Local Finance Board Pursuant to N.J.S.A. 40A:5A-6.* Roll call vote: Kennedy-Yes; Nosti-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Ms. White stated the Authority must appoint an Underwriter to assist with refunding of the sewer and water bonds. She recommended the Authority appoint Roosevelt & Cross, Inc. A motion was made by Mr. Nosti and seconded by Mr. Masciale to appoint Roosevelt & Cross, Inc. as Underwriters for the Authority. Roll call vote: Nosti-Yes; Masciale-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Mr. Holman stated Ms. White will attend a finance committee meeting and regular meeting with a final assessment in the near future.

Resolution 2013-44 – Appointing Acacia Financial Group, Inc. as Financial Advisor On recommendation by the executive director, a motion was made by Mr. Masciale and seconded by Mr. Kennedy to adopt *Resolution 2013-44, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Acacia Financial Group, Inc. as Authority Financial Advisor.* Roll call vote: Masciale-Yes; Kennedy-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

Resolution 2013-45 – Approve Authorizations for Accounts and Loans – PNC Bank On recommendation by the executive director, a motion was made by Mr. Nosti and seconded by Mr. Masciale to adopt *Resolution 2013-45, Authorizations for Accounts and Loans, PNC Bank.* Roll call vote: Nosti-Yes; Masciale-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Resolution 2013-46 – Authorize Signature Card Changes with Hudson City Savings Bank for Existing Accounts - On recommendation by the executive director, a motion was made by Mr. Masciale and seconded by Mr. Kennedy to adopt *Resolution 2013-46, Authorizing Signature Card Changes with Hudson City Savings Bank for Existing Accounts*. Roll call vote: Masciale-Yes; Kennedy-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

Resolution 2013-42 – Approve Collective Bargaining Agreement with Teamsters Local 97 – Mr. Knoeller stated a meeting was held with the Teamsters union and a tentative agreement was reached. He stated the contract would be a three year contract, with employees receiving an across-the-board salary increase as follows: \$1,200 for 2013, and \$1,100 for years 2014 and 2015. Also, there will be an increase in the shoe allowance from \$100.00 to \$150.00, as well as a meal allowance increase from \$10.00 to \$12.00. On recommendation by the chairman, a motion was made by Mr. Nosti and seconded by Mr. Kennedy to adopt *Resolution 2013-42, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Approving the Collective Bargaining Agreement with Teamsters Local 97 of New Jersey*. Roll call vote: Nosti-Yes; Kennedy-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Water Meters and Appurtenant Equipment – Mr. Woolf requested authorization to advertise and receive bids for water meters and appurtenant equipment. He explained this equipment is needed since many meters were damaged from the storm. A motion was made by Mr. Masciale and seconded by Mr. Kennedy authorizing the advertisement to receive bids for water meters and appurtenant equipment. Roll call vote: Masciale-Yes; Kennedy-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

BUSINESS REPORT

The business report was submitted for review.

ENGINEER'S REPORT

Water Treatment Plant No. 1 Upgrades – Mr. Dittenhofer stated this project is ongoing. He anticipates substantial completion of the project by August 15th. He anticipates being on-line by September 30th.

Cleaning and Televising Contract No. 7 – Mr. Dittenhofer stated this project is complete. Closeout documents for this project are being prepared.

Installation of Hydraulic Grinder at Parkers Point and L-4 Pump Station – Mr. Dittenhofer stated this project has been awarded to KRS Services in the amount of \$96,960.00.

Cleaning & Televising Contract No. 8 – Mr. Dittenhofer stated this project is under design.

Decommissioning of Brookdale Wells 1 and 2 – Mr. Dittenhofer stated this project is under design, and he will be doing a site visit to determine if the building should be demolished. Mr. Knoeller asked Mr. Woolf to obtain a property survey from RV&V, and contact Pheasant Run to see if they would be interested in purchasing the building.

ATTORNEY'S REPORT

Crown Castle Lease Extension – Mr. Dasti stated he expects to receive the Easement Agreement from the Township within the next few days.

OCUA Deficiency - Mr. Dasti stated he anticipates this issue will begin arbitration in September.

Superstorm Sandy Issues – Mr. Dasti stated a meeting was held with Mr. Bathgate concerning documentation required in order to process the Authority's insurance claim for reimbursement.

Mr. Dasti stated Mr. Curtin informed him that approximately 25-28 homes received demolition permits. He is waiting to get information on the amount of homes that are capped, which would be part of the Authority's loss revenue claim.

AUDITOR'S REPORT

Accountant's Status Report – Month Ended May 31, 2013 – Mr. Holman reported sewer and water user fees and interest income resulted in a favorable variance for the month. Connection fees resulted in a favorable variance, due to connection fees for Toll Brothers.

CORRESPONDENCE

Denise Gamma, Conifer Drive – Requesting relief of utility bill, due to pipe leak. Since the water that leaked did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Masciale to grant a sewer credit adjustment in the amount of \$6.96 (6,000 gallons). Roll call vote: Kennedy-Yes; Masciale-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

Frances Jiminez, Lanlac Drive – Ms. Jiminez was present to request relief of her utility bill due to a toilet leak. Mr. Knoeller stated the Authority is unable to grant relief for toilet leaks, since the Authority gets charged for the process of the water going into the sewer. He asked Ms. Jiminez to recheck for leaks in the crawl space. In the meantime, he recommends a payment plan be offered with no accrual of penalties or interest as long as customer keeps quarterly bills up to date. A motion was made by Mr. Kennedy and seconded by Mr. Nosti to offer Ms. Jiminez a payment plan, pending the rechecking for a water leak in the crawl space. Roll call vote: Kennedy-Yes; Nosti-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Winifred Fisher, Constitution Drive – Requesting payment plan. A motion was made by Mr. Kennedy and seconded by Mr. Juliano to offer a payment plan, contingent upon customer keeping quarterly bills up to date. Roll call vote: Kennedy-Yes; Juliano-Yes; Nosti-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Sheri Bacchetta, Waycross Court – Requesting relief of utility bill, due to filling pool without pool fill meter. Since pool-fill credits are only issued with the use of a pool fill meter, a waiver of the portion of the charges could not be supported.

John Cangelosi, Seagull Drive – Requesting relief of utility bill, due to broken water pipe. Since the water that leaked 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 \$1,020.62 (153,000 gallons). Roll call vote: Kennedy-Yes; Masciale-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

Robert Roshak, Tamiami Road – Requesting relief of utility bill, due to hot water pipe leak. This request will be Tabled until the August meeting.

Patricia Hutchins, Woodland Road – Requesting payment plan. A motion was made by Mr. Kennedy and seconded by Mr. Juliano to offer payment plan, contingent upon customer keeping quarterly bills up to date. Roll call vote: Kennedy-Yes; Juliano-Yes; Nosti-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Richard Holzer, Hollywood Blvd. – Requesting relief of utility bill, due to filling pool without pool fill meter. This request will be Tabled until the August meeting.

Lisa Monahan, Anchor Drive – Requesting relief of utility bill, due to filling pool without pool fill meter. Since pool-fill credits are only issued with the use of a pool fill meter, a waiver of the portion of the charges could not be supported.

Frank Cicetti, Surrey Court – Requesting relief of utility bill and payment plan, due to toilet leak. Since the water went into the sewer and was not a leak, a waiver of the portion of the charges could not be supported. However, a payment plan would be offered. A motion was made by Mr. Kennedy and seconded by Mr. Nosti to offer a payment plan, contingent upon customer keeping quarterly bills up to date. Roll call vote: Kennedy-Yes; Nosti-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Lee Smith, Skiff Way Drive – Mrs. Smith was present to request relief of utility bill, due to unexplained high water usage. Mr. Woolf recommended have the meter tested and waive the fee if meter tests accurate. A motion was made by Mr. Masciale and seconded by Mr. Kennedy to waive the fee associated with having the meter tested. Roll call vote: Masciale-Yes; Kennedy-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

Matt Ragusa, Newport Road & First Street – Requesting payment plan. A motion was made by Mr. Kennedy and seconded by Mr. Masciale to offer payment plan, contingent upon customer keeping quarterly bills up to date. Roll call vote: Kennedy-Yes; Masciale-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

Angelo Appelinia, Chelsea Street – Requesting payment plan. A motion was made by Mr. Kennedy and seconded by Mr. Juliano to offer payment plan, contingent upon customer keeping quarterly bills up to date. Roll call vote: Kennedy-Yes; Juliano-Yes; Nosti-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**OLD
BUSINESS**

There was no old business to discuss.

**NEW
BUSINESS**

There was discussion regarding the vacant position held by Ms. Barrett. Since this position will not be replaced, the personnel committee discussed dividing the

responsibilities between Michele Kennedy and Deborah Busch. The proposal is for Deborah Busch's title be changed to office manager, and Michele Kennedy's title be changed to executive secretary. In regards to additional compensation, Mr. Woolf recommended a salary increase of \$10,000.00 each. The personnel committee agreed to an increase of \$6,000.00 each. Mr. Knoeller stated after a six month period, the Board would review if additional compensation should be granted, pending a performance evaluation of both individuals. A motion was made by Mr. Nosti and seconded by Mr. Juliano to approve the title changes and salary increases for Deborah Busch and Michele Kennedy. Roll call vote: Nosti-Yes; Juliano-Yes; Kennedy-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Mr. Knoeller recommended non-union salary increases be the same as the union employees for 2013. A motion was made by Mr. Nosti and seconded by Mr. Juliano to approve \$1,200.00 across-the-board salary increases for non-union employees, retroactive to January 1, 2013. Roll call vote: Nosti-Yes; Juliano-Yes; Kennedy-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**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 \$749,591.22 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. Masciale and seconded by Mr. Juliano to adopt the above resolution. Roll call vote: Masciale-Yes; Juliano-Yes, but abstains on Eastern Warehouse Distributors; Nosti-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 7:50 p.m.

Respectfully submitted,

Michele Kennedy
Executive Secretary

