

**LACEY MUNICIPAL UTILITIES AUTHORITY
REORGANIZATION AND REGULAR MEETING
FEBRUARY 5, 2014**

Pledge of Allegiance

Arthur Miklosey was reappointed as the Authority's treasurer and was sworn in by Chris Dasti, Esq.

ROLL CALL

The Reorganization and Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, February 5, 2014 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, Jack Nosti, and Ralph Lanuto. Also present were Chris Dasti, attorney; Frank Holman, auditor; Alan Dittenhofer, engineer; Felipe Contreras, engineer; Deborah Busch, office manager, and Edward A. Woolf, Executive Director. Steve Kennis, 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.

REORGANIZATION

Chairman – A motion was made by Mr. Masciale and seconded by Mr. Miklosey to appoint James Knoeller as Authority Chairman. Roll call vote: Masciale-Yes; Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Abstain. Motion passed.

Vice Chairman – A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to appoint Michael Masciale as Authority Vice Chairman. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Abstain; Knoeller-Yes. Motion passed.

Secretary – A motion was made by Mr. Masciale and seconded by Mr. Miklosey to appoint Richard Kennedy as Authority Secretary. Roll call vote: Masciale-Yes; Miklosey-Yes; Juliano-Yes; Kennedy-Abstain; Knoeller-Yes. Motion passed.

Treasurer – A motion was made by Mr. Kennedy and seconded by Mr. Masciale to appoint Arthur Miklosey as Authority Treasurer. Roll call vote: Kennedy-Yes; Masciale-Yes; Juliano-Yes; Miklosey-Abstain; Knoeller-Yes. Motion passed.

**COMMITTEE
APPOINTMENTS**

Mr. Knoeller stated the Committee Appointments would be discussed at the next meeting.

RESOLUTION NO. 2014-09 - AUTHORIZE REGULAR MEETING SCHEDULE

A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to adopt *Resolution No. 2014-09, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Authorizing Regular Meeting Schedule*. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**PROFESSIONAL
APPOINTMENTS**

Mr. Woolf stated the administrative staff of the Authority received and reviewed the submissions of qualifications for professional service contracts. The Fair and Open process was utilized in determining the most qualified professionals; therefore, he recommends the following professionals be appointed to the Lacey Municipal Utilities Authority.

RESOLUTION NO. 2014-11 - APPOINT ENGINEER - REMINGTON, VERNICK AND VENA ENGINEERS

- A motion was made by Mr. Kennedy and seconded by Mr. Masciale to adopt *Resolution No. 2014-11, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing the Firm Remington, Vernick and Vena Engineers as Authority Consulting Engineers*. Roll call vote: Kennedy-Yes; Masciale-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

RESOLUTION NO. 2014-12 – APPOINT ATTORNEY – JERRY J. DASTI OF THE FIRM DASTI, MURPHY, MCGUCKIN, ULAKY, CHERKOS & CONNORS, P.C.

– A motion was made by Mr. Masciale and seconded by Mr. Juliano to adopt *Resolution No. 2014-12, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Jerry J. Dasti of the Firm Dasti, Murphy, McGuckin, Ulaky, Cherkos & Connors as Authority Attorney*. Roll call vote: Masciale-Yes; Juliano-Yes; Miklosey-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

RESOLUTION NO. 2014-13 – APPOINT AUDITOR – FRANK B. HOLMAN OF THE FIRM HOLMAN, FRENIA & ALLISON, PC

– Mr. Miklosey noted the rate schedule would stay the same as the previous year. A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to adopt *Resolution No. 2014-13, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Frank B. Holman, III, of the Firm Holman, Frenia, & Allison P.C as Authority Auditor*. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

RESOLUTION NO. 2014-15 – APPOINT CONFLICT ATTORNEY – RICHARD D. MEINDERS, P.C.

– A motion was made by Mr. Masciale and seconded by Mr. Miklosey to adopt *Resolution No. 2014-15, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Richard D. Meinders, P.C.*

as Authority Conflict Attorney. Roll call vote: Masciale-Yes; Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

RESOLUTION NO. 2014-16 – APPOINT LABOR COUNSEL – JERRY J. DASTI OF THE FIRM DASTI, MURPHY, ULAKY, CHERKOS & CONNORS – A motion was made by Mr. Masciale and seconded by Mr. Kennedy to adopt *Resolution No. 2014-16, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Jerry J. Dasti, Esq. of the firm Dasti, Murphy, McGuckin, Ulaky, Cherkos & Connors, P.C. as Authority Labor Counsel.* Roll call vote: Masciale-Yes; Kennedy-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

RESOLUTION NO. 2014-17 – APPOINT RISK MANAGEMENT CONSULTANT CONNOR STRONG COMPANIES, INC. – A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to adopt *Resolution No. 2014-17, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Connor Strong Companies, Inc. as Authority Risk Management Consultant.* Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed

RESOLUTION NO. 2014-18 – APPOINT PUBLIC AGENCY COMPLIANCE OFFICER – EDWARD A. WOOLF – A motion was made by Mr. Kennedy and seconded by Mr. Juliano to adopt *Resolution No. 2014-18, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Edward A. Woolf as Public Agency Compliance Officer, P.L. 1975, c. 127.* Roll call vote: Kennedy-Yes; Juliano-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

RESOLUTION NO. 2014-19 – APPOINT PERSONNEL OFFICER – EDWARD A. WOOLF – A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to adopt *Resolution No. 2014-19, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Edward A. Woolf as Personnel Officer.* Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

RESOLUTION NO. 2014-20 – APPOINT FUND COMMISSIONERS AND ALTERNATE FUND COMMISSIONER TO THE NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND – A motion was made by Mr. Kennedy and seconded by Mr. Juliano to adopt *Resolution No. 2014-20, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Fund Commissioners and Alternate Fund Commissioner for the New Jersey Utilities Authorities Joint Insurance Fund.* Roll call vote: Kennedy-Yes; Juliano-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

RESOLUTION NO. 2014-21 – APPOINT COMPANY PHYSICIAN – FORKED RIVER MEDICAL SPECIALISTS, P.A. – A motion was made by Mr. Miklosey and seconded by Mr. Masciale to adopt *Resolution No. 2014-21, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Forked River Medical Specialists, P.A. as Company Physician.* Roll call vote: Miklosey-Yes; Masciale-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

RESOLUTION NO. 2014-22 – APPOINT COMPUTER CONSULTANT – DAVID

J. KUBIAK – A motion was made by Mr. Kennedy and seconded by Mr. Juliano to adopt *Resolution No. 2014-22, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing David J. Kubiak as Computer Consultant*. Roll call vote: Kennedy-Yes; Juliano-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**APPROVAL
OF MINUTES**

Regular Meeting of January 8, 2014 - A motion was made by Mr. Miklosey and seconded by Mr. Masciale to approve the minutes of the Regular Meeting of January 8, 2014. Roll call vote: Miklosey-Yes; Masciale-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Closed Session Meeting of January 8, 2014 - A motion was made by Mr. Miklosey and seconded by Mr. Juliano to approve the minutes of the Closed Session Meeting of January 8, 2014. Roll call vote: Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**EXECUTIVE
DIRECTOR'S
REPORT**

Cash Balance Report - Period Ending December 31, 2013 - Mr. Woolf summarized the cash balances for period ending December 31, 2013 as follows: Total cash balance for the unrestricted accounts were \$6,672,565.18, with earnings of \$1,097.70. Total cash balance for the restricted accounts held by the trustee were \$3,572,099.87, with earnings of \$4,691.18. Current period interest on the restricted and unrestricted accounts was \$5,788.88. Year-to-date earnings on all interest bearing accounts were \$52,058.00.

Resolution 2014-10 – Revision to Amend and Supplement Rules and Regulation for Termination of Service due to Non-Payment – Mr. Woolf stated the finance committee discussed revising the policy of termination of services for non-payment. Originally, the due date was the 15th of the month with a 15 day grace period. The revised due date is the last business day of the month it is billed. If payment is not received by the last day of the month, penalties will be posted. If payment is not received by the 15th of the month following the billing month, a shut-off notice will be generated. If payment is not received by the last business day of the second month, the account will be subject to turn-off on or after the 15th of the third month in the billing cycle. Any account which has a past due balance of \$250.00 or more is subject to termination of service due to non-payment. Mr. Knoeller stated there is a medical emergency notice where if a customer is sick their water would not be turned off. Additionally, payment plans may be considered on a case by case basis. A motion was made by Mr. Kennedy and seconded by Mr. Juliano to adopt *Resolution 2014-10, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Revision to Amend and Supplement the Authority's Rules and Regulations to Provide for Termination of Service due to Non-Payment*. Roll call vote: Kennedy-Yes; Juliano-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Comminutor for CI-1 Pump Station – Mr. Woolf requested authorization to advertise and receive bids for Comminutor at CI-1 Pump Station. A motion was made by Mr. Masciale and seconded by Mr. Miklosey authorizing the advertisement to receive bids

for the Comminutor at CI-1 Pump Station. Roll call vote: Masciale-Yes; Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Billing and Finance Software - Mr. Woolf stated the Authority's current billing and finance software has become antiquated. Therefore, quotations are being submitted for new software.

Petty Cash – Mr. Woolf requested authorization to increase the Authority's petty cash account from \$300.00 to \$500.00. A motion was made by Mr. Masciale and seconded by Mr. Kennedy authorizing the increase of the Authority's petty cash account from \$300.00 to \$500.00. Roll call vote: Masciale-Yes; Kennedy-Yes; Juliano-Yes; Miklosey-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 the Bureau of Safe Drinking water Permit to operate Well No. 7 and Water Treatment Plant was submitted. His office is coordinating with the contractor and LMUA personnel for start-up and chemical doses tune-up.

Installation of Hydraulic Grinder at Parkers Point and L-4 Pump Station - Mr. Dittenhofer stated this project is complete. Final payment, performance bond release and change order will be recommended at the next meeting.

Meter Installation - Mr. Dittenhofer stated this project is currently under LMUA review. Mr. Knoeller asked how many meters were damaged from the storm. Mr. Woolf stated approximately 3,000 meters. He pointed out before the Authority goes out to bid and awards a contract, FEMA must provide the LMUA with a commitment letter indicating they will reimburse the Authority for the meters. A cost estimate has been provided to FEMA. Mr. Masciale asked if money has been set aside for this project. Mr. Woolf stated a budget amendment would be necessary. However, there is money that has been set aside over the years in the infrastructure fund to replace water meters.

Mr. Knoeller asked about the company that was considering potential litigation with losses/damages the Authority sustained from Super Storm Sandy. Mr. Woolf stated he has not received any communication from them.

ATTORNEY'S REPORT

Home Depot/PRIET – Mr. Dasti stated a letter was forwarded to the landlord of Kohl's complex indicating they have incorrectly utilized rock salt to address the recent snow storms. A copy of the Operations Agreement has also been sent outlining the proper procedure in snow removal. Mr. Woolf stated he sent a letter to Home Depot/PRIET reminding them of the proper snow removal procedure. Additionally, John Downing inspected the property and spoke to the manager of Kohl's. Mr. Woolf pointed out the contractor responsible for snow removal followed the correct procedure in using sand, however, store employees used rock salt on the sidewalk. Mr. Knoeller asked Mr. Woolf to personally let them know they would be fined if they use rock salt again.

Decommissioning of Brookdale Wells No. 1 and No. 2 – Mr. Dasti stated a Resolution has been prepared to award the Contract. Mr. Woolf stated a Resolution is not required for this project since it was below the bidding threshold.

Water Shut-Off Policy Revisions – Mr. Dasti stated this issue has been discussed.

AUDITOR'S REPORT

Accountant's Status Report – Month Ended December 31, 2013 – Mr. Holman reported the final auditor's report for 2013 is favorable. Revenues were over budget and expenses and user charges were under budget. The Authority can anticipate a credit from the OCUA of \$107,578.00 through the month of December.

Mr. Knoeller stated the OCUA has notified the Authority they want to base the 2014 estimated usage on 745 million gallons. He asked the OCUA be informed the Authority does not want to exceed 730 million gallons.

Mr. Knoeller asked for the status of money owed to the Authority from the OCUA. Mr. Woolf stated the OCUA will be giving the Authority a credit on its 2014 1st quarter bill.

CORRESPONDENCE

J.W Finley – 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 \$593.80 (85,000 gallons). Roll call vote: Kennedy-Yes; Masciale-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

Katherine Weickert, Sunrise Blvd. – Requesting relief of utility bill, due to burglary. Mr. Miklosey stated he is aware the Authority does not provide relief on the water portion of bill, however, he believes this is an extenuating circumstance for the Board to consider. Mr. Knoeller pointed out there is verbiage in the bond holder Agreement that states the Authority cannot give away water credit unless there is a public health/safety issue. Mr. Knoeller recommended Mr. Dasti research this issue and provide the Board with a legal opinion. A motion was made by Mr. Kennedy and seconded by Mr. Juliano to charge customer basic sewer charge for January 2, 2014 billing. In the meantime, the Authority's attorney will provide a legal opinion on whether or not the Authority can provide relief on the water portion of the bill. Roll call vote: Kennedy-Yes; Juliano-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Doreen Bacheson, Dogwood Lane - Requesting relief of utility bill, due to leaking hose. 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 \$32.20 (14,000 gallons). Roll call vote: Kennedy-Yes; Masciale-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed

Frank Peterpaul, Montauk Drive - Requesting relief of utility bill, due to leaking expansion tank in crawl space. 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 \$838.70 (124,000 gallons). Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed

Stanley Karulski, Lake Barnegat Drive North - Requesting relief of utility bill, due to high water usage. Based upon the available information a waiver of the service charges could not be supported. Customer will be notified of option to install irrigation meter.

Mr. & Mrs. Robinson, Oak Hollow Lane - 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. Miklosey to grant a credit adjustment on the sewer charges in the amount of \$231.00 (55,000 gallons). Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed

Vickie Matthews, 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. Miklosey to grant a credit adjustment on the sewer charges in the amount of \$187.70 (35,000 gallons). Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed

Barbara Carlson, Hidden Harbor Place – Mr. Kennedy stated an April meter reading is required, therefore, no action at this time.

**OLD
BUSINESS**

There was no old business to discuss.

**NEW
BUSINESS**

Mr. Nosti asked about the appointment of Bond Counsel. Mr. Woolf stated Bond Counsel was appointed in April 2013 and will expire April 2014.

**PUBLIC BUSINESS/
COMMENT**

Regina Discenza, Sunset Boulevard – Mrs. Discenza asked how many homes are on-line at the Toll Brothers development. Mr. Woolf stated there are over 100 homes on-line. Mrs. Discenza asked how many homes are to be built. Mr. Woolf stated 540 homes and 100 apartments.

Mrs. Discenza asked how the rock salt issue was discovered at the Kohl's site. Mr. Woolf stated the Township's code enforcement officer, John Downing, received an anonymous phone call.

**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 \$417,385.49 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. Miklosey and seconded by Mr. Masciale to adopt the above resolution. Roll call vote: Miklosey-Yes; Masciale-Yes; Juliano-Yes, but abstains on Eastern Warehouse Distributors; Kennedy-Yes; Knoeller-Yes. Motion passed.

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

Respectfully submitted,

Michele Kennedy
Executive Secretary