

**LACEY MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
OCTOBER 6, 2010**

Pledge of Allegiance

ROLL CALL

The regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, October 6, 2010 and was called to order at 7:00 p.m. by James Knoeller, Chairman. Other members present were Michael Masciale, Richard Kennedy, Arthur Miklosey, Barbara Lanuto, Nick Juliano, 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.

**“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.

**APPROVAL
OF MINUTES**

Regular Meeting of September 1, 2010 - A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to approve the minutes of the Regular Meeting of September 1, 2010. Roll call vote: Kennedy-Yes; Miklosey-Yes; Lanuto-Abstain; Masciale-Yes; Knoeller-Yes. Motion passed.

Closed Session Meeting of September 1, 2010 – A motion was made by Mr. Masciale and seconded by Mr. Miklosey to approve the minutes of the Closed Session Meeting of September 1, 2010. Roll call vote: Masciale-Yes; Miklosey-Yes; Lanuto-Abstain; Kennedy-Yes; Knoeller-Yes. Motion passed.

**EXECUTIVE
DIRECTOR'S
REPORT**

Cash Balance Report - Period Ending August 31, 2010 - Mr. Woolf summarized the cash balances for period ending August 31, 2010 as follows: Total cash balance for the unrestricted accounts were \$4,310,555.73, with earnings of \$3,192.17. Total cash balance for the restricted accounts held by the trustee were \$7,002,641.22, with earnings of \$6,843.55. Current period interest on the restricted and unrestricted accounts was \$10,035.72. Year-to-date earnings on all interest bearing accounts were \$124,874.52.

Resolution 2010-69 – Amending 2010 Sewer Capital Budget – On recommendation by the executive director, a motion was made by Mr. Kennedy and seconded by Mr. Masciale to adopt *Resolution 2010-69, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Amending the 2010 Sewer Capital Budget*. Roll call vote: Kennedy-Yes; Masciale-Yes; Lanuto-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

Resolution 2010-70 – Approve 2011 Sewer Budget - On recommendation by the executive director a motion was made by Mr. Masciale and seconded by Mr. Miklosey to adopt *Resolution 2010-70*, approving the 2011 sewer budget. Roll call vote: Masciale-Yes; Miklosey-Yes; Lanuto-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Resolution 2010-71 – Approve 2011 Water Budget - On recommendation by the executive director a motion was made by Mr. Miklosey and seconded by Mr. Kennedy to adopt *Resolution 2010-71*, approving the 2011 water budget. Roll call vote: Miklosey-Yes; Kennedy-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

New World Systems – Mr. Woolf requested authorization to accept a proposal from New World Systems for computer software maintenance for years 2011 through 2013. He stated New World Systems is the only company that is able to service the Authority's software, and the non-fair and open process has been utilized. A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to accept the proposal from New World Systems for computer software maintenance for the years 2011 through 2013. Roll call vote: Kennedy-Yes; Miklosey-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Water Treatment Chemical Supplies 2011 – Mr. Woolf requested authorization to receive bids for water treatment chemicals for 2011. A motion was made by Mr. Miklosey and seconded by Mrs. Lanuto to authorize to receive bids for water treatment chemicals for 2011. Roll call vote: Miklosey-Yes; Lanuto-Yes; Kennedy-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

BUSINESS REPORT

September Meter Reads – Ms. Barrett reported 4,376 meters were read in September for Cycles 1, 4 and 9. One hundred fifty one work orders were cut to obtain manual reads not obtained during regular meter read routes. Five reads were questioned because of high usage. Two customers were contacted by phone and three customers were sent letters.

October Billing – Ms. Barrett reported utility bills were mailed/hand delivered on October 4th in the amount of \$1,303,566.36. Penalties were assessed on 3,282 past due accounts (all cycles) in the amount of \$22,411.78 for a total billing in October of \$1,325,978.14.

Customer Service – Ms. Barrett reported twenty-one new customer welcome letters were mailed in August, and five responses were received in September. Forty-four final reads with equipment inspections were performed in September with one violation - a sump pump tied into the sanitary sewer line. This violation has been abated.

**ENGINEER'S
REPORT**

Resolution No. 2010-68 – Tentative Water Approval – Ocean Residential Community Home Upgrades – Juvenile Justice Commission – Block 315, Lot 28 -

Mr. Dittenhofer reported his office received the application and plans for tentative water approval for Ocean Residential Community Home Upgrades, Block 315, Lot 28. The applicant is proposing to upgrade the fire protection system for an existing juvenile residential community home on the north side of Jones Road, west of Pheasant Run. The applicant proposes to abandon the existing 4" water service for the building and install a new 6" combined domestic water and fire service by tapping the existing main in Jones Road. On recommendation by the Authority's engineer, a motion was made by Mr. Miklosey and seconded by Mr. Masciale to adopt *Resolution 2010-68, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Tentative Water Approval, Ocean Residential Community Home Upgrades, Juvenile Justice Commission, Block 315, Lot 28*. Roll call vote: Miklosey-Yes; Masciale-Yes; Lanuto-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Resolution No. 2010-66 – Accept Maintenance Bond – Release Performance Guarantee and Final Payment – Maintenance Garage Reroofing – MiBo Construction Company, Inc.

– On recommendation by the Authority's engineer, a motion was made by Mr. Masciale and seconded by Mrs. Lanuto to adopt *Resolution 2010-66, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Acceptance of Maintenance Bond, Release of Performance Guarantee and Final Payment, Maintenance Garage Reroofing, MiBo Construction Company, Inc.* Roll call vote: Masciale-Yes; Lanuto-Yes; Miklosey-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Resolution No. 2010-67 – Performance Guarantee Release – Water System – Wawa, Inc.

– On recommendation by the Authority's engineer, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to adopt *Resolution 2010-67, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Performance Guarantee Release – Water System, - Wawa, Inc.* Roll call vote: Kennedy-Yes; Miklosey-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Change Order No. 1 – Tank No. 2 Repainting – Beckett Enterprises, Inc.

– On recommendation by the Authority's engineer, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to approve Change Order No. 1 representing repairs to interior dry belly area for a net contract increase of \$10,000.00. Roll call vote: Kennedy-Yes; Miklosey-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Change Order No. 1 – Cleaning & Televising Sewer Contract No. 6 – Video Pipe Services, Inc.

– On recommendation by the Authority's engineer, a motion was made by Mr. Masciale and seconded by Mr. Miklosey to approve Change Order No. 1 representing additional cleaning & televising in the Forked River Beach area and as-built quantity adjustments for a net contract decrease of (\$648.00). Roll call vote: Masciale-Yes; Miklosey-Yes; Lanuto-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Wells and Water Treatment Plant at Well No. 1 Site – Mr. Dittenhofer stated Well No. 8 is currently being drilled, and the well design is being reviewed. Mr. Masciale asked when would the project be complete. Mr. Contreras stated the contractor requested an extension, therefore, the entire project is expected to be completed by the first week in December.

Conceptual Design Water Treatment Plant No. 3 (Bayonne Avenue) – Mr. Dittenhofer stated his office is proceeding with the design for the upgrades for water treatment plant No. 1.

Repainting of Tank No. 2 – Mr. Dittenhofer stated this project is 90% complete.

Cleaning & Televising Contract No. 6 & Flow Assessment – Mr. Dittenhofer stated this project is 90% complete.

Municipal Lane Pump Station Upgrades & Standby non-Clog Pumps – Mr. Dittenhofer stated the work is progressing, and is expected to be complete within the next three weeks.

ATTORNEY'S REPORT

Beach Boulevard Damage – Mr. Dasti stated he forwarded a letter to Midlantic Construction contesting the invoice for damages related to the Beach Boulevard project. He will schedule a meeting with the contractor to discuss this issue further.

Exelon Ground Water Contamination – Mr. Dasti stated he has not received any response from Exelon regarding the Authority's proposal to extend water lines to the Power Plant property.

Purchase of Maintenance Garage Property from Lacey Township – Mr. Dasti stated the Chairman and Secretary signed the closing statements for purchase of the maintenance garage from Lacey Township.

Union Negotiations – Mr. Dasti stated he forwarded a letter to PERC indicating the Authority's recommendation as to the PERC Mediator.

AUDITOR'S REPORT

Accountant's Status Report – Month Ended August 31, 2010 – Mr. Holman stated user charges on the sewer and water side of the budget resulted in a favorable variance for the month. All revenues are above budget, and delinquency charges, connection fees and interest income had a favorable variance.

CORRESPONDENCE

Mr. & Mrs. Rutillo, Teakwood Drive – Requesting credit of late charge, due to claim of not receiving utility bill. Based upon the information provided, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to waive the late charges in the amount of \$4.02. Roll call vote: Kennedy-Yes; Miklosey-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Mr. & Mrs. Cerbo, Beverly Road – Requesting relief of utility bill, due to broken outside water spicket. 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 \$62.08 (16,000 gallons). Roll call vote: Kennedy-Yes; Masciale-Yes; Lanuto-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

Mr. & Mrs. Platt, Skimmer Court – Requesting removal of late charge, due to claim of not receiving utility bill. Based upon the information provided, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to waive the late charge in the amount of \$8.88. Roll call vote: Kennedy-Yes; Miklosey-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Eric Wasilewicz, Laurel Boulevard – Requesting relief of utility bill, due to broken outside water spicket. Since the water did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mrs. Lanuto to grant a credit adjustment on the sewer charges in the amount of \$237.97 (52,800 gallons). Roll call vote: Kennedy-Yes; Lanuto-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Mr. & Mrs. Kearney, Oakwood Place – Requesting relief of utility bill, due to filling pool without pool fill meter. 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 one-time credit adjustment on the sewer charges in the amount of \$239.32 (44,000 gallons). Roll call vote: Kennedy-Yes; Masciale-Yes; Lanuto-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

Mr. & Mrs. Galligan, Fairview Lane – Mr. & Mrs. Galligan were present to dispute a service charge billed to their account, due to LMUA shutting the water off in their crawl space due to sprinkler system being stuck in the on position. They claim since a neighbor, and not them, called LMUA/police to shut off the water they should not be charged. Based on the information presented, a motion was made by Mr. Masciale and seconded by Mr. Miklosey for the Authority to waive half of the service charge billed to their account. Roll call vote: Masciale-Yes; Miklosey-Yes; Lanuto-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Patricia Graham, Western Boulevard – Requesting relief of utility bill, due to broken pool-fill meter. Based on the information provided, a motion was made by Mr. Kennedy and seconded by Mrs. Lanuto to grant a sewer credit adjustment of \$168.58 (24,000 gallons). Roll call vote: Kennedy-Yes; Lanuto-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Mr. & Mrs. Stephensen, Clifton Street – Requesting relief of utility bill, due to high water consumption by filling pool due to a leak. Since the water 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 \$122.06 (32,000 gallons). Roll call vote: Kennedy-Yes; Miklosey-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Phillip Pflieger/Margaret Molnar, Ocean Street – Reverend Pflieger, on behalf of Ms. Molnar who is deceased, was present to request relief of utility bill, due to unexplained high water usage. He stated the home has been unoccupied for approximately a year, and no leaks have been detected. Mr. Kennedy suggested the meter be pulled and checked. Mr. Knoeller agreed stating it will be tested at the Authority's expense. He also stated no interest, charges, or penalties will accrue while the meter is being tested.

Tammy Baker-Khan, Manchester Avenue – Ms. Baker-Khan was present to request relief of utility bill, due to use of water without irrigation meter. Based on the information presented, a motion was made by Mr. Kennedy and seconded by Mrs. Lanuto to grant a one-time adjustment on the sewer charges in the amount of \$1,256.31 (185,000 gallons). Roll call vote: Kennedy-Yes; Lanuto-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Nicolas Musmanni, Earie Way – Mr. Musmanni was present to request relief of utility bill, due to use of water without irrigation meter. Ms. Barrett stated additional history is needed to determine average usage. Mr. Knoeller informed Mr. Musmanni that two quarterly reads are needed to determine what kind of credit, if any, can be given. Therefore, he asked him to contact Mr. Woolf or Ms. Barrett when he receives his March 2011 bill regarding a possible credit. A motion was made by Mr. Miklosey and seconded by Mr. Masciale authorizing an adjustment to the account after review of the March 2011 utility bill. Roll call vote: Miklosey-Yes; Masciale-Yes; Lanuto-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Michele Baldwin, Wilbert Avenue – Mrs. Baldwin was present to request relief on utility bill, due to a leak. There was also discussion regarding a payment plan for water service charges. Since the account was unavailable for review, a motion was made by Mr. Masciale and seconded by Mr. Kennedy authorizing administrative staff to grant the appropriate relief to the account, for sewer charges and a payment plan for water service charges, and waiver of penalties and interest fees. Roll call vote: Masciale-Yes; Kennedy-Yes; Lanuto-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

**OLD
BUSINESS**

There was no old business to discuss.

**NEW
BUSINESS**

Mr. Woolf stated he has been advised by TD Bank that they are no longer able to provide free services to the Authority. Mr. Miklosey stated the services would cost the Authority approximately \$3,000 a month. Mr. Woolf stated the change would go into effect November 1st, therefore; he asked the Board if they would consider authorizing the finance committee to make a decision on a banking change before November 1st to avoid charges. Mr. Miklosey pointed out some banks are unable to supply all of the services that TD Bank is able to provide. A motion was made by Mr. Kennedy and seconded by Mrs. Lanuto to allow the finance committee, in conjunction with administrative staff, to start the process in changing banks. Roll call vote: Kennedy-Yes; Lanuto-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**PUBLIC BUSINESS/
COMMENT**

Lorraine Sansone, Laurel Boulevard – Ms. Sansone informed the Board that the Township passed their budget.

Ms. Sansone asked when would the recording of tonight's board meeting be available for her to review. Ms. Barrett stated she would be able to listen to it tomorrow.

In reference to the water tower for the new wells 7 & 8, Ms. Sansone asked if the Authority would be putting up a new water tower. Mr. Knoeller stated no.

Ms. Sansone stated she is aware of the Authority's intention not to use wells 1 & 2 once wells 7 & 8 come on line. She asked about the status of wells 3, 4 & 5. Mr. Woolf stated those wells would continue to be used in the foreseeable future.

**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 \$378,661.02 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; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 7:45 p.m.

Respectfully submitted,

Michele Kennedy
Secretary

