

**LACEY MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
MAY 4, 2011**

Pledge of Allegiance

ROLL CALL

A Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, May 4, 2011 and was called to order at 7:00 p.m. by James Knoeller, Chairman. Other members present were Michael Masciale, Richard Kennedy, Arthur Miklosey, Mr. Nosti and Mr. Lanuto. Also present were Jerry Dasti, attorney; Alan Dittenhofer, engineer; Felipe Contreras, engineer; Jerry Conaty, auditor; Edward A. Woolf, Executive Director, and Kathleen Barrett, Assistant Director. Mark Dykoff, Lacey MUA/Township Committee Liaison arrived during the closed session portion of the meeting.

**“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 April 6, 2011 - A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to approve the minutes of the Regular Meeting of April 6, 2011. Roll call vote: Kennedy-Yes; Miklosey-Yes; Nosti-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Closed Session Meeting of April 6, 2011 - A motion was made by Mr. Masciale and seconded by Mr. Miklosey to approve the minutes of the Closed Session Meeting of April 6, 2011. Roll call vote: Masciale-Yes; Miklosey-Yes; Nosti-Yes; Kennedy-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 matters.

2. The general nature of this closed session concerns personnel matters and potential litigation.

3. It is anticipated at this time that the above-stated matters will be made public once these matters have been resolved.

4. This resolution shall take effect immediately.

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

Separate minutes were kept on the above closed session.

Mr. Dykoff arrived during the closed session portion of the meeting.

RE-OPEN MEETING

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

ATTORNEY REPORT

A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to adopt *Resolution 2011-40, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Terminating Employment of Walter D. Janssen, Effective May 4, 2011*. Roll call vote: Kennedy-Yes; Miklosey-Yes; Nosti-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Mr. Dasti stated the bid for the Installation of the Raw Water Main at Water Treatment Plant #1 was originally to be awarded to Shore Connection, Inc. in the amount of \$79,475.00. However, Shore Connection informed the authority's engineer they are not able to start the project. Therefore, he recommends the project be awarded to the second lowest bidder, Garrison Enterprise, Inc. in the amount of \$79,994.00. A motion was made by Mr. Masciale and seconded by Mr. Miklosey to award the bid for the Raw Water Main at Water Treatment Plant #1 to Garrison Enterprise, Inc. in the amount of \$79,994.00. Roll call vote: Masciale-Yes; Miklosey-Yes; Nosti-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed. Mr. Knoeller pointed out the bid submitted by the third bidder was \$243,755.00

Mr. Dasti excused himself from the meeting.

EXECUTIVE DIRECTOR'S REPORT

Cash Balance Report - Period Ending March 31, 2011 - Mr. Woolf summarized the cash balances for period ending March 31, 2011 as follows: Total cash balance for the unrestricted accounts were \$2,938,739.89, with earnings of \$2,346.35. Total cash balance for the restricted accounts held by the trustee were \$5,769,576.82, with earnings

of \$6,853.10. Current period interest on the restricted and unrestricted accounts was \$9,199.45. Year-to-date earnings on all interest bearing accounts were \$24,162.34.

Resolution 2011-35 – Accepting and Approving Corrective Action Plan of Audit Ending Fiscal Year December 31, 2010 - A motion was made by Mr. Masciale and seconded by Mr. Kennedy to adopt *Resolution No. 2011-35, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Accepting and Approving Corrective Action Plan of the Audit Ending Fiscal Year December 31, 2010*. Roll call vote: Masciale-Yes; Kennedy-Yes; Nosti-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

Resolution 2011-39 – Letter of No Interest – Amended Minor Site Plan – Metro PCS New York, LLC – Block 1583, Lot 5.01 - A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to adopt *Resolution No. 2011-39, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Letter of No Interest – Amended Minor Site Plan, Metro PCS New York, LLC, Block 1583, Lot 5.01*. Roll call vote: Kennedy-Yes; Miklosey-Yes; Nosti-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

BUSINESS REPORT

April Meter Reads – Ms. Barrett reported 3,801 meters were read in April for Cycles 2 and 9. Twenty-six work orders were cut to obtain manual reads not obtained during regular meter read routes. Three reads were questioned for high usage. One house was vacant and had a large leak. Two customers were sent letters.

May Billing – Ms. Barrett reported utility bills were mailed/hand delivered on May 4th in the amount of \$658,838.12. Penalties were assessed on 3,316 past due accounts (all cycles) in the amount of \$19,817.64 for a total billing in May of \$678,655.76.

Customer Service – Ms. Barrett reported thirteen new customer welcome letters were mailed in March, and five responses were received in April. Fifty-four final reads with equipment inspections were performed in April with no violations.

ENGINEER'S REPORT

Resolution 2011-37 – Tentative Sewer and Water Approval – Aphrodite Plaza II – George Mackres - Mr. Dittenhofer reported his office received the application and plans for tentative sewer and water approval for Aphrodite Plaza II, Block 225, Lots 18 & 19. The applicant is proposing to construct a 2,702 SF one-story commercial building at the intersection of Lakeside Drive South and Route 9, in the southwest corner. The applicant proposes to connect to the existing water curb along Lakeside Drive South and install a water service for the building. The applicant also proposes to connect to the existing sanitary sewer main along Route 9 and install a lateral for the building. On recommendation by the Authority's engineer, a motion was made by Mr. Masciale and seconded by Mr. Kennedy to adopt *Resolution 2011-37, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Tentative Sewer and Water Approval, Aphrodite Plaza II, George Mackres, Block 225, Lots 18 & 19*. Roll call vote: Masciale-Yes; Kennedy-Yes; Nosti-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

Resolution 2011-38 – “Conditional” Permit to Operate – Sewer and Water System – Sea Breeze at Lacey – Phase 2, Section 2C - Mr. Dittenhofer reported the sewer and water system for a portion of Phase 2, Section 2C has successfully passed the pressure testing requirements, and all construction items are complete. Therefore, his office recommends a “Conditional” Permit to Operate the sewer and water system for the Blocks and Lots identified in their letter dated May 3, 2011, contingent upon completion of the punch list items outlined in the Resolution. A motion was made by Mr. Miklosey and seconded by Mr. Kennedy to adopt *Resolution 2011-38, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, “Conditional” Permit to Operate Sewer and Water System, Sea Breeze at Lacey – Phase 2, Section 2C, Gladstone Street, Iverness Court & Hamptonshire Way, Block 1901, Lot 1*. Roll call vote: Miklosey-Yes; Kennedy-Yes; Nosti-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Construction of Test Well No. 7 and Well No. 8 – Mr. Dittenhofer stated this project is complete.

Water Treatment Plant No. 1 Upgrades – Mr. Dittenhofer stated the design of the upgrades is ongoing. Additional information for the Water Allocation Permit application will be submitted for review.

Repainting of Tank No. 2 – Mr. Dittenhofer stated this project is ongoing. Contractor is to complete additional work and punch list items when weather permits.

Cleaning and Televising Contract No. 6 & Flow Assessment – Mr. Dittenhofer stated the laterals need to be addressed by the contractor.

Municipal Lane Pump Station Upgrades - Mr. Dittenhofer stated this project was completed April 29th. Mr. Woolf recommended the change order associated with this project be Tabled at this time.

Sewer Service Area – Mr. Dittenhofer stated NJDEP and the County approved the draft map of the sewer service area. A public meeting was held April 21st to review and comment on the draft proposal. Mr. Contreras stated there is a 30-day period from April 21st for anyone who wants to be included in the sewer service area to make comments. He stated the appropriate parties have been notified they need to comment.

AUDITOR'S REPORT

Accountant's Status Report – Month Ended March 31, 2011 – Mr. Conaty reported revenue, expenses, delinquency, and user charges resulted in a favorable variance for both water and sewer. Interest income resulted in a favorable variance on sewer, and unfavorable on water. Miscellaneous expenses had an unfavorable variance due to miscellaneous bank fees charged by TD and PNC Bank.

Mr. Miklosey asked if there would be more bank fees charged by TD Bank, since the Authority is no longer doing business with them. Mr. Woolf stated he would look into this.

Mr. Knoeller asked Mr. Woolf for a report for the next meeting on how much money the Authority is saving by using Liberty Power for electric company.

Mr. Knoeller informed the Board that he would be meeting with the OCUA Chairman next week to discuss the OCUA fee credit issue.

CORRESPONDENCE

There was no correspondence to discuss.

OLD BUSINESS

Professional Services Agreement – Brown Investment Advisory - Authority Financial Advisor Financial Advisor - Chairman Knoeller and Secretary Kennedy executed the Professional Services Agreement between the Lacey Municipal Utilities Authority and Brown Investment Advisor for the period from April 6, 2011 to February 1, 2012.

NEW BUSINESS

There was no new business to discuss.

PUBLIC BUSINESS/ COMMENT

Regina Discenza, Sunset Drive – Mrs. Discenza asked how often does the Authority test for Tritium. Mr. Woolf stated Oyster Creek nuclear plant tests the Authority's wells at no cost. He will have to confirm the frequency of the testing.

Mrs. Discenza asked how come Oyster Creek never connected to the Authority's water system. Mr. Knoeller stated the Authority suggested they connect into the system, but they declined. They are running their own water treatment plant with their own employees.

In regards to Sea Breeze at Lacey development, Mrs. Discenza asked how many units are there in the Phase 2. Mr. Woolf stated there are approximately 40 homes in Phase 2 of the project.

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 \$262,731.90 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. Nosti and seconded by Mr. Miklosey to adopt the above resolution. Roll call vote: Nosti-Yes; Miklosey-Yes; Kennedy-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 7:40 p.m.

Respectfully submitted,

Michele Kennedy
Secretary