

**LACEY MUNICIPAL UTILITIES AUTHORITY  
REORGANIZATION AND REGULAR MEETING  
FEBRUARY 1, 2012**

Pledge of Allegiance

**ROLL CALL**

The Reorganization and Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, February 1, 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, Jack Nosti, and Ralph Lanuto. Also present were Jerry Dasti, attorney; Frank Holman, auditor; Alan Dittenhofer, engineer; Felipe Contreras, engineer; Edward A. Woolf, Executive Director, and Kathleen Barrett, Assistant Director. Mark Dykoff, 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. Kennedy to appoint James Knoeller as Authority Chairman. Roll call vote: Masciale-Yes; Kennedy-Yes; Juliano-Yes; Miklosey-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. Juliano to appoint Arthur Miklosey as Authority Treasurer. Roll call vote: Kennedy-Yes; Juliano-Yes; Miklosey-Abstain; Masciale-Yes; Knoeller-Yes. Motion passed.

**COMMITTEE  
APPOINTMENTS**

**Personnel Committee**

Chaired by Richard Kennedy  
James Knoeller  
Alternate No. 1 – Arthur Miklosey  
Alternate No. 2 – Jack Nosti

**Safety Committee**

Chaired by Richard Kennedy  
Jack Nosti  
Darren Coraggio, Safety Coordinator  
Tammy Fetherman  
Harry Peckham  
JoAnn Byckiewicz

**Budget and Finance Committee**

Chaired by Michael Masciale  
Arthur Miklosey  
Alternate – James Knoeller

**Public Relations Committee & Planning Committee**

Chaired by James Knoeller  
Michael Masciale  
Alternate – Ralph Lanuto

**Township Committee Liaison**

Nick Juliano  
Alternate – Jack Nosti

**RESOLUTION NO. 2012-10 - AUTHORIZE REGULAR MEETING SCHEDULE**

A motion was made by Mr. Miklosey and seconded by Mr. Juliano to adopt *Resolution No. 2012-10, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Authorizing Regular Meeting Schedule*. Ms. Barrett pointed out July's meeting will be held on the second Wednesday of the month due to a holiday. Roll call vote: Miklosey-Yes; Juliano-Yes; Kennedy-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. 2012-11 - APPOINT ENGINEER - REMINGTON, VERNICK AND VENA ENGINEERS**

- A motion was made by Mr. Kennedy and seconded by Mr. Masciale to adopt *Resolution No. 2012-11, 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. 2012-12 – 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. Miklosey to adopt *Resolution No. 2012-12, 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; Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

**RESOLUTION NO. 2012-13 – APPOINT AUDITOR – FRANK B. HOLMAN OF THE FIRM HOLMAN & FRENIA, PC** – A motion was made by Mr. Kennedy and seconded by Mr. Juliano to adopt *Resolution No. 2012-13, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Frank B. Holman, III, of the Firm Holman & Frenia, P.C as Authority Auditor.* Roll call vote: Kennedy-Yes; Juliano-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**RESOLUTION NO. 2012-14 – APPOINT CONFLICT ATTORNEY – RICHARD D. MEINDERS, P.C.** – A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to adopt *Resolution No. 2012-14, 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: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**RESOLUTION NO. 2012-15 – APPOINT CONFLICT ENGINEER – BRUCE CONNELL OF THE FIRM BIRDSALL SERVICES GROUP** – A motion was made by Mr. Masciale and seconded by Mr. Miklosey to adopt *Resolution No. 2012-15, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Bruce Connell, P.E., P.P., C.M.E. of the firm Birdsall Services Group as Authority Conflict Engineer.* Roll call vote: Masciale-Yes; Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

**RESOLUTION NO. 2012-17 – APPOINT LABOR COUNSEL – JERRY J. DASTI OF THE FIRM DASTI, MURPHY, ULAKY, CHERKOS & CONNORS** – A motion was made by Mr. Kennedy and seconded by Mr. Juliano to adopt *Resolution No. 2012-17, 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: Kennedy-Yes; Juliano-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**RESOLUTION NO. 2012-18 – APPOINT RISK MANAGEMENT CONSULTANT – CONNOR STRONG COMPANIES, INC.** – A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to adopt *Resolution No. 2012-18, 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. 2012-19 – APPOINT PUBLIC AGENCY COMPLIANCE OFFICER - KATHLEEN S. BARRETT** – A motion was made by Mr. Masciale and seconded by Mr. Kennedy to adopt *Resolution No. 2012-19, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Kathleen S. Barrett as Public Agency Compliance Officer, P.L. 1975, c. 127*. Roll call vote: Masciale-Yes; Kennedy-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

**RESOLUTION NO. 2012-20 – APPOINT PERSONNEL OFFICER – EDWARD A. WOOLF** – A motion was made by Mr. Kennedy and seconded by Mr. Masciale to adopt *Resolution No. 2012-20, 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; Masciale-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

**RESOLUTION NO. 2012-21 – 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. 2012-21, 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. 2012-22 – APPOINT COMPANY PHYSICIAN – FORKED RIVER MEDICAL SPECIALISTS, P.A.** – A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to adopt *Resolution No. 2012-22, 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: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**RESOLUTION NO. 2012-23 – APPOINT COMPUTER CONSULTANT – DAVID J. KUBIAK** – A motion was made by Mr. Kennedy and seconded by Mr. Masciale to adopt *Resolution No. 2012-23, 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; Masciale-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

**APPROVAL  
OF MINUTES**

**Regular Meeting of January 4, 2012** - A motion was made by Mr. Masciale and seconded by Mr. Miklosey to approve the minutes of the Regular Meeting of January 4, 2012. Roll call vote: Masciale-Yes; Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

**EXECUTIVE  
DIRECTOR'S  
REPORT**

**Cash Balance Report - Period Ending December 31, 2011** - Mr. Woolf summarized the cash balances for period ending December 31, 2011 as follows: Total cash balance for the unrestricted accounts were \$3,066,406.74, with earnings of \$1,862.96. Total cash balance for the restricted accounts held by the trustee were \$4,037,581.40, with earnings

of \$3,746.23. Current period interest on the restricted and unrestricted accounts was \$5,609.19. Year-to-date earnings on all interest bearing accounts were \$126,630.26.

**Resolution 2012-07 – Adopt Changes to Existing Deferred Compensation Plan - VALIC** - A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to adopt *Resolution 2012-07, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Adopting Changes to an Existing Deferred Compensation Plan Pursuant to the Final Internal Revenue Code Section 415 Regulations, Pension Protection Act of 2006, The Heroes Earnings Assistance and Relief Tax Act of 2008 and the Worker, Retiree and Employer Recovery Act of 2008*. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**Resolution 2012-24 – Award Contract for Supply of Water Treatment Chemical Supplies 2012** - A motion was made by Mr. Masciale and seconded by Mr. Miklosey to adopt *Resolution 2012-24, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Awarding Contract for the Supply of Water Treatment Chemical Supplies for 2012*. Roll call vote: Masciale-Yes; Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

**Treasurer's Bond** - Mr. Woolf stated LMUA employees are covered by the New Jersey Joint Insurance Fund for theft and crime up to 1 million dollars. There is also a separate bond that covers the Authority's treasurer up to \$1.2 million a year, which is up for renewal. He asked if it was necessary to renew the treasurer's bond. Mr. Dasti stated a separate bond for the treasurer is not necessary. A motion was made by Mr. Kennedy and seconded by Mr. Juliano to not renew the treasurer's bond. Roll call vote: Kennedy-Yes; Juliano-Yes; Miklosey-Abstain; Masciale-Yes; Knoeller-Yes. Motion passed.

## **BUSINESS REPORT**

**January Meter Reads** – Ms. Barrett reported 3,854 meters were read in January for Cycles 2 and 9. Forty-six work orders were cut to obtain manual reads not obtained during regular meter read routes. Two reads were questioned because of high usage. One customer was contacted by phone; one customer was sent a letter.

**February Billing** – Ms. Barrett reported utility bills will be mailed/hand delivered on February 3rd in the amount of \$719,430.56. Penalties were assessed on 3,455 past due accounts (all cycles) in the amount of \$20,620.04 for a total billing in February of \$740,050.60.

**Customer Service** – Ms. Barrett reported thirty-four final reads with equipment inspections were performed in January with one violation. During a final read on January 25<sup>th</sup>, servicemen discovered the meter set-up gone and the house still connected to the water system. This violation was abated and re-inspected on January 30<sup>th</sup>. Mr. Masciale asked if a penalty was assessed for this violation. Ms. Barrett stated they received a \$500.00 penalty.

Forty-two new customer welcome letters were mailed in December and fifteen responses were received in January.

## ENGINEER'S REPORT

**Resolution 2012-08 – Preliminary Sewer and Water Approval – Maxim Drive Major Subdivision – Robert G. Lange, Jr. – Block 1655, Lots 1-21 & 26-32** - Mr. Dittenhofer reported his office received the application and plans for preliminary sewer and water approval for Maxim Drive Major Subdivision, Robert G. Lange, Jr., Block 1655, Lots 1-21 & 26-32. The applicant is proposing to construct a four (4)-lot subdivision on the southern side of Maxim Drive, east of Lacey Road. The applicant proposes to connect to an existing manhole at the eastern end of Maxim Drive and extend sanitary sewer main along Maxim Drive to service the subdivision. The applicant also proposes to connect individual water services to the existing 6" water main in Maxim Drive to service the units. On recommendation by the Authority's engineer, a motion was made by Mr. Kennedy and seconded by Mr. Masciale to adopt *Resolution 2012-08, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Preliminary Sewer and Water Approval, Maxim Drive Major Subdivision, Robert G. Lange, Jr., Block 1655, Lots 1-21 & 26-32*. Roll call vote: Kennedy-Yes; Masciale-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

**Resolution 2012-09 – Water and Sewer Performance Guarantee Release – Closeout Escrow Account – A & F Development Corporation** - On recommendation by the Authority's engineer, a motion was made by Mr. Miklosey and seconded by Mr. Kennedy to adopt *Resolution 2012-09, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Water and Sewer Performance Guarantee Release, Closeout Developer Escrow Account, A & F Development Corporation, Block 1581, Lots 9-20*. Roll call vote: Miklosey-Yes; Kennedy-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**Water Treatment Plant No. 1 Upgrades** – Mr. Dittenhofer stated all the required information has been submitted to the NJDEP. He expects the permits to construct be issued by the end of the month.

**Cleaning and Televising Contract No. 6 & Flow Assessment** - Mr. Dittenhofer stated there is one punch list item still pending.

**Cleaning and Televising Contract No. 7** – Mr. Dittenhofer stated contract documents have been prepared, and a preconstruction meeting is scheduled for next week.

**Installation of a Hydraulic Grinder at L-2 Pump Station** – Mr. Dittenhofer stated contract documents have been prepared, and a preconstruction meeting is scheduled for next week.

## ATTORNEY'S REPORT

**Ocean First Financing** – Mr. Dasti asked Mr. Holman to update the Board on this issue. Mr. Holman stated he has been in contact with Ocean First Bank, Howard Eichenbaum and Bond Counsel to finalize some issues. Mr. Knoeller asked who would be taking the lead on this project. Mr. Holman stated Mr. Dasti would be reviewing and finalizing the

agreement. Mr. Dasti stated he would be reviewing the service agreement, which is the Township's guarantee of the Authority's bonds, and whether it would apply to this instance.

## AUDITOR'S REPORT

**Accountant's Status Report – Month Ended December 31, 2011** – Mr. Holman reported year-end performance on both water and sewer has been favorable overall. Sewer user charges had a favorable variance for the year, but an unfavorable variance on water. Delinquency charges and interest income had a year-to-date favorable variance on both sewer and water. Mr. Masciale asked why is there an inconsistency with sewer performing well, and water user fees being negative. Mr. Holman stated this could be due to a lack of history - sewer rates were changed only a couple of years ago. Mr. Woolf added there is a much higher service fee on sewer, which brings on a steady stream of revenue versus a lower service charge for water. Revenues come in by water usage, and water usage is down from last year. He stated when preparing the budget, figures were conservative given the fact there are a number of vacant homes, in addition to customers conserving more.

## CORRESPONDENCE

**Old Time Automotive (S.C.H.I.A. LLC)** – Requesting relief of utility bill, due to watering lawn without irrigation meter. After careful consideration, a motion was made by Mr. Kennedy and seconded by Mr. Masciale to grant a one-time adjustment on the sanitary sewer charges in the amount of \$1,766.36 (246,000 gallons). Roll call vote: Kennedy-Yes; Masciale-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

**John Brown, Beach Blvd.** - Requesting waiver of late charge. A motion was made by Mr. Kennedy and seconded by Mr. Masciale to remove the late charge in the amount of \$2.05. Roll call vote: Kennedy-Yes; Masciale-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

Mr. Knoeller asked about the possibility of allowing administration to authorize relief on utility bills in an amount to be determined by the Board. Mr. Dasti stated the Board could vote on an amount. Mr. Knoeller asked Mr. Woolf and Ms. Barrett to provide the Board with a figure at the next meeting.

**Marie Tagliavore, Chelsea Street** - Requesting relief of utility bill, due to unexplained high water usage. A review of recent meter readings reveal water usage went up during the summer months. The water that went through old meter was 14,000 gallons, and water that went through new meter was 10,000 gallons. Since there was high water consumption on both the old and new meters, the Board could not support a waiver of any of the charges.

**Emma Vikara, Lakeside Drive North** - Requesting waiver of late charge, due to claim of not receiving utility bill. A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to remove the late charge in the amount of \$5.49. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**Sharon McKim, Letts Avenue** – Requesting relief of utility bill, due to unexplained high water usage. Based upon the available information, a waiver of a portion of the charges could not be supported.

**Cheryl Woolf, Oxford Road** – Requesting relief of utility bill, due to watering lawn without irrigation meter. After careful consideration, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to grant a one-time adjustment on the sanitary sewer charges in the amount of \$457.25 (78,000 gallons). Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**OLD  
BUSINESS**

Mr. Miklosey asked about the status of the OCUA issue. Mr. Knoeller recommended this issue be discussed in closed session.

On behalf of the Authority, Mr. Miklosey thanked Mr. Dykoff in being the Authority's liaison.

**NEW  
BUSINESS**

Mr. Knoeller stated Avila Engineering is requesting a waiver of monitoring well requirements for the EES Office Building project. He asked Mr. Dittenhofer to respond to Avila Engineering informing them that a waiver would not be granted.

**PUBLIC BUSINESS/  
COMMENT**

**Regina Discenza, Sunset Boulevard** – Mrs. Discenza asked if any of the LMUA commissioners would consider joining her at one of the OCUA meetings. Mr. Knoeller stated he would be meeting with OCUA representatives to discuss an on-going issue; however, would not be attending the monthly meeting.

**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 \$202,363.67 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. Kennedy and seconded by Mr. Masciale to adopt the above resolution. Roll call vote: Kennedy-Yes; Masciale-Yes; Juliano-Yes, but abstains on South Jersey Auto Supply; Miklosey-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. 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. Masciale and seconded by Mr. Miklosey to reopen the meeting. Roll call vote: Unanimously approved.

**OTHER  
BUSINESS**

A motion was made by Mr. Masciale and seconded by Mr. Kennedy authorizing non-union personnel to receive a \$1,300.00 across-the board increase effective January 1, 2012. Roll call vote: Masciale-Yes; Kennedy-Yes; Juliano-Yes; Miklosey-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

