

**LACEY MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
NOVEMBER 7, 2012**

Pledge of Allegiance

ROLL CALL

A Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, November 7, 2012 and was called to order at 7:00 p.m. by James Knoeller, Chairman. Other members present were Michael Masciale, Arthur Miklosey, Nick Juliano, and Jack Nosti. Also present were Chris Connors, attorney; Alan Dittenhofer, engineer; Rodney Haines, auditor; Edward A. Woolf, Executive Director, and Kathleen Barrett, Assistant 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**

Closed Session Meeting of October 3, 2012 - A motion was made by Mr. Masciale and seconded by Mr. Miklosey to approve the minutes of the Closed Session Meeting of October 3, 2012. Roll call vote: Masciale-Yes; Miklosey-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

Regular Meeting of October 3, 2012 - A motion was made by Mr. Miklosey and seconded by Mr. Masciale to approve the minutes of the Regular Meeting of October 3, 2012. Roll call vote: Miklosey-Yes; Masciale-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

**EXECUTIVE
DIRECTOR'S
REPORT**

Appointing Nicholas Juliano as Acting Secretary – On recommendation by the executive director, a motion was made by Mr. Nosti and seconded by Mr. Masciale appointing Nicholas Juliano as Acting Secretary for this evening's meeting. Roll call vote: Nosti-Yes; Masciale-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

Cash Balance Report - Period Ending September 30, 2012 - Mr. Woolf summarized the cash balances for period ending September 30, 2012 as follows: Total cash balance for the unrestricted accounts were \$3,557,887.91, with earnings of \$981.35. Total cash balance for the restricted accounts held by the trustee were \$8,926,912.29, with earnings of \$5,757.22. Current period interest on the restricted and unrestricted accounts was \$6,738.57. Year-to-date earnings on all interest bearing accounts were \$50,703.84.

Resolution 2012-60 – Award Contract for Pump Maintenance and Repair for 2013
On recommendation by the executive director, a motion was made by Mr. Masciale and seconded by Mr. Miklosey to adopt *Resolution 2012-60, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Awarding a Contract for the Pump Maintenance and Repair for 2013 to Motors & Drives, Inc. of Freehold, New Jersey*, in the amount of \$27,341.00. Roll call vote: Masciale-Yes; Miklosey-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

Resolution 2012-61 – Transfer of Funds – 2012 Sewer and Water Budgets - On recommendation by the executive director, a motion was made by Mr. Nosti and seconded by Mr. Juliano to adopt *Resolution 2012-61, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Authorizing Transfer of Funds, 2012 Sewer and Water Budgets*. Roll call vote: Nosti-Yes; Juliano-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

January 2, 2013 Board Meeting – On recommendation by the executive director, a motion was made by Mr. Miklosey and seconded by Mr. Nosti to reschedule the January 2, 2013 board meeting to January 9, 2013. Roll call vote: Miklosey-Yes; Nosti-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

2013 Water Rate Hearing – Mr. Woolf stated he would be advertising a water rate hearing to be held at the December 5, 2012 board meeting to examine the Authority's water rates and fees for 2013. Mr. Knoeller asked that a Finance Committee be held before the rate hearing.

Earie Way – Mr. Woolf stated he received a request for a long water service on Earie Way. He explained the roadway is improved 50 feet in front of the property; however, the water main is short by approximately 80 feet. There is another property across the street that is also interested in a long water service, and recommends extending the water main to reach these two properties. He stated the cost estimate to extend the water main for the materials is approximately \$3,000. However, if the water main were extended, the Authority would be able to receive approximately \$16,000 in connection fees. Mr. Knoeller stated there are two local builders that are building two homes. Mr. Woolf stated the builders have agreed to do the labor and install the materials, which the LMUA will supply. A motion was made by Mr. Nosti and seconded by Mr. Masciale to extend a long water service on Earie Way. Roll call vote: Nosti-Yes; Masciale-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes.

Hurricane Sandy Update – Mr. Woolf stated the water system was not out of service at any time during the hurricane. There was some roadway flooding that took out the sewer pump stations for one day. Once the tide receded, the pump stations were back in operation. He stated there were a few stations without power; however, it did not affect water pressure and public water was not compromised. Five pump stations are still

without power and personnel continue to work around the clock to make sure there are no sanitary sewer overflows. Mr. Knoeller stated he observed the pump stations and recommends purchasing one or two additional generators. He asked Mr. Woolf to make a recommendation to the Board as to size and cost of additional generators.

BUSINESS REPORT

October Meter Reads – Ms. Barrett reported 3,905 meters were read in October for Cycles 2 and 9. Forty-two work orders were cut to obtain manual reads not obtained during regular meter read routes. Seventeen reads were questioned because of high usage.

November Billing – Ms. Barrett reported utility bills were mailed November 2nd in the amount of \$839,769.65. Penalties were assessed on 3,801 past due accounts (all cycles) in the amount of \$28,367.95 for a total billing in November of \$868,137.60.

Customer Service – Ms. Barrett reported thirty final reads with equipment inspections were performed in October with no violations. Thirty-three new customer welcome letters were mailed in September and five responses were received in October.

2013 Tax Lien Sale – Ms. Barrett reported the Tax Collector's office would start collecting the Lacey MUA's delinquent charges, which are lienable, starting on December 3rd. Each Monday the Lacey MUA will receive a check for the funds collected by the Tax Collector during the prior week. The tax lien sale is scheduled for January 25, 2013.

ENGINEER'S REPORT

Resolution 2012-57 – Tentative and Final Sewer and Water Approval – Lacey Plaza, LLC - Mr. Dittenhofer reported his office received the application and plans for tentative and final sewer and water approval for Lacey Plaza, LLC, Block 225, Lots 17.01 – 17.04. The applicant is proposing to construct an 81,501 SF commercial building consisting of 63,343 SF of retail spaces, 5,400 SF of restaurant spaces, and a 12,758 SF Retro Fitness health club on the western side of Route 9, south of Lakeside Drive South. The applicant proposes to utilize existing water services on-site and install additional services for fire protection. The applicant also proposes to install approximately 408 LF of 8" PVC sewer main and sanitary laterals to service the building. A grease trap is also proposed for the restaurants. On recommendation by the Authority's engineer, a motion was made by Mr. Masciale and seconded by Mr. Miklosey to adopt *Resolution 2012-57, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Tentative and Final Sewer and Water Approval, Lacey Plaza, LLC, Block 225, Lots 17.01 – 17.04*. Roll call vote: Masciale-Yes; Miklosey-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

Resolution 2012-58 – Maintenance Bond Release – Beach Boulevard Bridge Water and Sewer Mains Relocation – CRJ Contracting Corp. - On recommendation by the Authority's engineer, a motion was made by Mr. Miklosey and seconded by Mr. Nosti to adopt *Resolution 2012-58, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Maintenance Bond Release, Beach Boulevard Bridge Water and Sewer Mains Relocation, CRJ Contracting, Corp.* Roll call vote: Miklosey-Yes; Nosti-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Resolution 2012-59 – Closeout Developer Escrow Account – Somme Street – David Verge - On recommendation by the Authority's engineer, a motion was made by Mr. Nosti and seconded by Mr. Miklosey to adopt *Resolution 2012-59, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Closeout Developer Escrow Account, Somme Street, Blocks 1199, 1200, Lots 3-7, 12-14, David Verge*. Roll call vote: Nosti-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Water Treatment Plant No. 1 Upgrades – Mr. Dittenhofer stated construction has started. His office has prepared the application for administrative approval (Courtesy Review) for WTP No. 1 site, and preliminary and final major site plan for Well No. 8. A Planning Board meeting is scheduled for November 14th. Once the Courtesy Review is complete by the Planning Board, the zoning officer will release the zoning permits and the building permits will be issued. Mr. Knoeller stated he read the application and the Planning Board engineer's comments. He pointed out there are certain requirements put forth to the LMUA that the Planning Board's engineer is not informed on. The items that pertain to landscaping are non-existent because Homeland Security states that an 8-foot high fence is required, without anything obstructing that fence. This includes landscaping. Mr. Dittenhofer stated this issue would be addressed at the Planning Board meeting.

Cleaning and Televising Contract No 7 – Mr. Dittenhofer stated the punch list items have been complete.

S-2 and FRB-2 Pump Station Hydraulic Comminutor – Mr. Dittenhofer stated this project is ongoing.

MUA Garage Property – Mr. Dittenhofer stated this project has to do with adding an additional cellular antenna to the tower at the LMUA garage property. He pointed out the Township's zoning officer would not release a zoning permit for this project. Mr. Knoeller stated Mr. Dasti sent the Township's attorney a letter informing him the Authority should be exempt from obtaining a zoning permit, since the Township previously waived the requirement to obtain a zoning permit and site-plan approval for the construction of the tower, as well as sub-leasing of the tower to cellular companies. Mr. Dittenhofer stated his office would be filing a waiver.

Mr. Knoeller stated at one time the Authority was charging the Board of Education rent to be in part of the building they occupy. Afterwards, the Authority rescinded in collecting rent. Now that the Authority owns that property, he would like to begin charging rent for that building in 2013. Mr. Knoeller asked Mr. Connors to have Mr. Dasti revisit this issue and to notify the Board of Education the Authority's intentions of a lease obligation.

Hill Street Water Tank – Mr. Dittenhofer reported the developer has donated the access driveway to the Hill Street water tank site to the Authority. The Planning Board engineer had requested to supply them with additional information.

Mr. Knoeller asked if the Authority is in compliance with the Soil Conservation District. Mr. Woolf stated final compliance has been issued.

**ATTORNEY'S
REPORT**

OCUA Deficiency Report – Mr. Connors stated a meeting is scheduled for November 9th with representatives of the OCUA to discuss this issue further.

Crown Castle – Mr. Connors stated his office is expected to receive the closing proceeds within the next two (2) weeks.

Well No. 7 and Well No. 8 Site Plan Applications – Mr. Connors stated notices have been mailed to all interested property owners for the Planning Board Hearing on November 13th.

Resolution 2012-62 – Authorize Executive Director to Execute Documents in Relation to Grant of Easement and Assignment of Lease for Global Signal Acquisitions – On recommendation by the Authority's attorney, a motion was made by Mr. Masciale and seconded by Mr. Nosti to adopt *Resolution 2012-62, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Directing and Authorizing Edward Wolf, Executive Director, to Execute any and all Documents Necessary in Order to Facilitate the Grant of Easement and Assignment of Lease for Global Signal Acquisitions, IV, LLC*. Roll call vote: Masciale-Yes; Nosti-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

**AUDITOR'S
REPORT**

Accountant's Status Report – Month Ended September 30, 2012 – Mr. Haines reported user charges for sewer resulted in a favorable variance for the month, but unfavorable year-to-date. User charges for water resulted in an unfavorable variance for the month, as well as year to date.

CORRESPONDENCE

Mr. & Mrs. Mattei, Elwood Street – Requesting relief of utility bill, due to watering garden without separate meter. After consideration of this request, a motion was made by Mr. Miklosey and seconded by Mr. Masciale to grant a one-time adjustment on the sewer charges in the amount of \$388.90 (50,000 gallons). Roll call vote: Miklosey-Yes; Masciale-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

Lacey Self-Storage, Old Shore Road – Requesting relief of utility bill, due to outside sprinkler system being left on. After consideration of this request, a motion was made by Mr. Masciale and seconded by Mr. Miklosey to grant a credit adjustment on the sewer charges in the amount of \$450.88 (86,000 gallons). Roll call vote: Masciale-Yes; Miklosey-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

Steve Bahrle, Devon Street – 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.

Cristo Taboada, Leeward Drive – Requesting payment plan. After consideration of this request, a motion was made by Mr. Masciale and seconded by Mr. Miklosey to grant a payment plan for \$1,603.98 on the water charges. Roll call vote: Masciale-Yes; Miklosey-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

Loyal Order of Moose, Route 9 – Requesting relief of utility bill, due to broken pipe. Since the water from the leak did not go into the sewer system, a motion was made by Mr. Miklosey and seconded by Mr. Juliano to grant a credit adjustment on the sewer charges in the amount of \$650.60 (95,000 gallons). Roll call vote: Miklosey-Yes; Juliano-Yes; Nosti-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

James Sharkey, Elwood Street – Requesting relief of utility bill and payment plan, due to sprinkler leak. Since the water from the leak did not go into the sewer system, a motion was made by Mr. Miklosey and seconded by Mr. Masciale to grant a credit adjustment on the sewer charges of \$569.80 (74,000 gallons), as well as a payment plan on the water charges. Roll call vote: Miklosey-Yes; Masciale-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

**OLD
BUSINESS**

There was no old business to discuss

**NEW
BUSINESS**

Mr. Woolf asked the Board if customers whose homes were damaged by the hurricane would be charged a water turn off fee of \$35.00. The Board agreed to waive the \$35.00 water turn-off fee. A motion was made by Mr. Miklosey and seconded by Mr. Masciale to waive the water turn off fee of 35.00 for those customer's whose homes have been damaged by the hurricane. Roll call vote: Miklosey-Yes; Masciale-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

Mr. Woolf stated due to the hurricane, several homes have been deemed uninhabitable by the Township. He asked if those customers would be given the same courtesy as a fire damaged home to cease service charges if the homeowner cuts and caps the service to the home. Mr. Knoeller stated those customers should be given the same courtesy.

Ms. Barrett asked if those customers would be required to cut and cap. Mr. Knoeller stated if the home is deemed uninhabitable and a demolition permit is required the customer would be required to cut and cap. A motion was made by Mr. Miklosey and seconded by Mr. Masciale to require customers to cut and cap if their home is uninhabitable and are requiring a demolition permit. Roll call vote: Miklosey-Yes; Masciale-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

Mr. Woolf asked for those homes that need to be cut and capped, would an inspection fee apply. Mr. Knoeller stated the inspection fee should stand due to public safety.

Mr. Woolf stated some radio MXUs were lost during the storm. He asked if it should be the customer's responsibility to replace the MXU. The Board agreed that it is the Authority's responsibility to replace the MXU at no charge to the customer.

Mr. Woolf stated the LMUA office was closed on October 29th and 30th, which are the last two days customers can pay their utility bill without receiving a penalty. He recommended that the cutoff date be extended by two days without receiving a penalty. The Board agreed.

Mr. Masciale asked if the fire hydrants that were out of service have been repaired. Mr. Woolf stated they have been repaired.

Mr. Miklosey asked what is the policy on paying LMUA employees on the two days that the office was closed. Mr. Woolf stated the Governor declared a State of Emergency; therefore, employees will be paid for the two days.

**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 \$278,731.49 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. Masciale to adopt the above resolution. Roll call vote: Nosti-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 matter.
2. The general nature of this closed session concerns potential litigation.
3. It is anticipated at this time that the above-stated matter will be made public once this matter has 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**

Customer Bankruptcy - A motion was made by Mr. Miklosey and seconded by Mr. Juliano to discharge claim of \$138.99 due to a prior bankruptcy. Roll call vote: Miklosey-Yes; Juliano-Yes; Nosti-Yes; Masciale-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
Secretary