

**LACEY MUNICIPAL UTILITIES AUTHORITY  
REGULAR MEETING  
SEPTEMBER 5, 2012**

Pledge of Allegiance

**ROLL CALL**

A Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, September 5, 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, and Ralph Lanuto. Also present were Jerry Dasti, attorney; 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 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 August 1, 2012** - A motion was made by Mr. Masciale and seconded by Mr. Miklosey to approve the minutes of the Closed Session Meeting of August 1, 2012. Roll call vote: Masciale-Yes; Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

**Regular Meeting of August 1, 2012** - A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to approve the minutes of the Regular Meeting of August 1, 2012. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**EXECUTIVE  
DIRECTOR'S  
REPORT**

**Cash Balance Report - Period Ending July 31, 2012** - Mr. Woolf summarized the cash balances for period ending July 31, 2012 as follows: Total cash balance for the unrestricted accounts were \$3,285,914.99, with earnings of \$941.74. Total cash balance for the restricted accounts held by the trustee were \$8,252,280.72, with earnings of \$8,871.05. Current period interest on the restricted and unrestricted accounts was \$9,812.79. Year-to-date earnings on all interest bearing accounts were \$41,586.83.

**Resolution 2012-50 – Award Contract for Installation of Hydraulic Comminutors for S-2 and FRB Pump Station** – On recommendation by the executive director, a motion was made by Mr. Kennedy and seconded by Mr. Masciale to adopt *Resolution 2012-50, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Awarding Contract for the Installation of Hydraulic Comminutors for the S-2 and FRB Pump Station*, to Drestine Company in the amount of \$101,000.00. Roll call vote: Kennedy-Yes; Masciale-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

**Resolution 2012-45 – Award Contract for Purchase of Auto Parts and Accessories** – On recommendation by the executive director, a motion was made by Mr. Miklosey and seconded by Mr. Kennedy to adopt *Resolution 2012-45 Resolution of the Lacey Municipal Utilities Authority of the Township of Lacey, County of Ocean, State of New Jersey, Awarding a Contract for the Purchase of Auto Parts and Accessories to Eastern Warehouse Distributors, Inc. and Freehold Ford Inc.* Mr. Woolf explained the Township went out to bid for auto parts and accessories, and the Authority is named in the bid to purchase under the same bid. Mr. Knoeller asked who would be making the purchases. Mr. Woolf stated the majority of parts and accessories are purchased by the Township, which goes on the Authority's account. Roll call vote: Miklosey-Yes; Kennedy-Yes; Juliano-Abstain; Masciale-Yes; Knoeller-Yes. Motion passed.

**Investment Manager** – Mr. Woolf stated Brown Advisory has been the Authority's investment management firm for the past few years. Since interest earnings have been down, the Board recommended the finance committee obtain financial quotes from other investment firms. Mr. Holman recommended Acacia Investment Advisory Group, Inc. Financial, who gave a presentation to the finance committee. Mr. Miklosey stated the Authority would save between \$6,000 and \$9,000 by appointing Acacia Financial. A motion was made by Mr. Miklosey and seconded by Mr. Masciale to appoint Acacia Financial as the Authority's Investment Manager. Roll call vote: Miklosey-Yes; Masciale-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

## **BUSINESS REPORT**

**August Meter Reads** – Ms. Barrett reported 3,809 meters were read in September for Cycles 3 and 9. One hundred seventeen work orders were cut to obtain manual reads not obtained during regular meter read routes. Two reads were questioned because of high usage.

**September Billing** – Ms. Barrett reported utility bills will be mailed on September 6<sup>th</sup> in the amount of \$837,431.67. Penalties were assessed on 3,518 past due accounts (all cycles) in the amount of \$22,730.17 for a total billing in September of \$860,161.84

**Customer Service** – Ms. Barrett reported thirty-eight final reads with equipment inspections were performed in August with no violations. Forty-eight new customer welcome letters were mailed in July, and twenty responses were received in August.

**MUAA Dinner/Meeting** - Ms. Barrett reported the MUAA dinner/meeting will be held Thursday, September 13<sup>th</sup>.

**ENGINEER'S  
REPORT**

**Resolution 2012-48 – Performance Guarantee Release – Toll Brothers/Sea Breeze at Lacey – Phase 2 – Clubhouse Building** - On recommendation by the Authority's engineer, a motion was made by Mr. Masciale and seconded by Mr. Miklosey to adopt *Resolution 2012-48, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Water and Sewer Performance Guarantee Release, Toll Brothers-Sea Breeze at Lacey, Phase 2 – Clubhouse Building, Block 1901.23, Lot 28.* Roll call vote: Masciale-Yes; Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

**Resolution 2012-49 – Conditional Permit to Operate – Sewer and Water System – Toll Brothers/Sea Breeze at Lacey – Phase 1, Section 1(Partial), Arborridge Drive -** On recommendation by the Authority's engineer, a motion was made by Mr. Miklosey and seconded by Mr. Kennedy to adopt *Resolution 2012-49, 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 1, Section 1 (Partial), Arborridge Drive, Block 1901, Lot 18.* Roll call vote: Miklosey-Yes; Kennedy-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**Resolution 2012-47 – Performance Guarantee Reduction - Toll Brothers/Sea Breeze at Lacey – Phase 1, Section 1** - On recommendation by the Authority's engineer, a motion was made by Mr. Miklosey and seconded by Mr. Kennedy to adopt *Resolution 2012-47, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Performance Guarantee Reduction, Water and Sewer System, Toll Brothers – Sea Breeze at Lacey, Phase 1, Section 1, Block 1901, Lot 18.* Roll call vote: Miklosey-Yes; Kennedy-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**Resolution 2012-46 – Maintenance Bond Release – Water System – Wawa, Inc.-** On recommendation by the Authority's engineer, a motion was made by Mr. Miklosey and seconded by Mr. Masciale to adopt *Resolution 2012-46, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Maintenance Bond Release, Water System, Wawa, Inc., Block 1837, Lot 1.* Roll call vote: Miklosey-Yes; Masciale-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

**Water Treatment Plant No. 1 Upgrades** – Mr. Contreras stated shop drawings review is ongoing, and local permits are being processed by the contractor. He anticipates groundbreaking by the end of September.

**Cleaning and Televising Contract No 7** – Mr. Contreras stated the contractor is scheduled to start the repairs the third week in September.

**S-2 and FRB-2 Pump Station Hydraulic Comminutor** – Mr. Contreras stated the contract has been awarded to Derstine Company in the amount of \$101,000.00.

**ATTORNEY'S  
REPORT**

**Crown Castle** – Mr. Dasti stated he received the proposed agreement on the easement transfer to Crown Castle, which will be executed at the October board meeting. Mr. Miklosey asked about other potential bidders. Mr. Knoeller stated the other bidder was not able to equal or exceed the offer from Crown Castle.

**Sea Breeze/Toll Brothers** – Mr. Dasti stated he is waiting for the amendment to the Developer’s Agreement, which reflects the agreement concerning the connection fee issues.

**Sprint Spectrum** - Mr. Dasti stated Sprint Spectrum Realty Co. has notified the Authority of their plans to replace the existing cellular antenna equipment on the water tank off Hill Street. Mr. Woolf stated he would ask Mr. Dittenhofer to review the material submitted by sprint Spectrum.

**OCUA** – Mr. Dasti recommended this issue be discussed in closed session.

#### **AUDITOR’S REPORT**

**Accountant’s Status Report – Month Ended July 31, 2012** – Mr. Holman reported user charges for water and sewer resulted in an unfavorable variance for the month, as well as year to date. Delinquency charges, interest income, and connection fees had a favorable variance for the month on both water and sewer.

#### **CORRESPONDENCE**

**Patti Ritt/Fred Davis, Taurus Court** – Requesting relief of utility bill, due to water leak in crawl space. Since the water leaked into the crawl space and 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 \$59.76 (12,000 gallons for the June bill and 12,000 gallons for the September bill). Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**William Pitzner, Brown Street** – Requesting payment plan. After consideration of this request, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to grant additional time to pay the August 2012 bill. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**Margaret Rand, Steuben Court** – Requesting relief of utility bill, due to outdoor hose being left on, as well as payment plan. After consideration of this request, a motion was made by Mr. Kennedy and seconded by Mr. Masciale to grant an adjustment on the sewer charges in the amount of \$816.60 (134,000 gallons) and a payment plan for the remaining balance. Roll call vote: Kennedy-Yes; Masciale-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

#### **OLD BUSINESS**

There was no old business to discuss.

#### **NEW BUSINESS**

There was no new business to discuss.

#### **PUBLIC BUSINESS/ COMMENT**

**Regina Discenza, Sunset Drive** – Mrs. Discenza asked what were the number of penalties listed on the Business Report. Mr. Knoeller stated it was \$22,730.17 on 3,518 accounts.

Mrs. Discenza asked if any pipes would be disturbed during the Route 9 and Lacey Road upgrades. Mr. Woolf stated there would be no water main disturbances.

**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 \$279,437.89 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. Miklosey and seconded by Mr. Kennedy to adopt the above resolution. Roll call vote: Miklosey-Yes; Kennedy-Yes; Juliano-Yes, but abstains on South Jersey Auto Supply; Masciale-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. Kennedy and seconded by Mr. Juliano to reopen the meeting. Roll call vote: Unanimously approved.

**OTHER  
BUSINESS**

**Larry and Ann Mozingo, Joseph Avenue** – Mr. and Mrs. Mozingo were present requesting relief of their utility bill, due to washing machine hose rupture. He explained the property in question is a rental property and he and the tenants were out of town at the time. Mr. Knoeller stated in order to grant some type of relief; the Authority would need some account history on water usage. Ms. Barrett stated the Board could consider providing relief on the past quarter's usage. The customer would be charged for 3,000 gallons instead of 85,000 gallons. A motion was made by Mr. Kennedy and seconded by Mr. Masciale to grant a credit adjustment on 82,000 gallons on sewer. Roll call vote: Kennedy-Yes; Masciale-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

**ADJOURNMENT**

There being no further business to discuss, the meeting was adjourned at 7:20 p.m.

Respectfully submitted,

Michele Kennedy  
Secretary