

**LACEY MUNICIPAL UTILITIES AUTHORITY  
REGULAR MEETING  
JANUARY 9, 2013**

Pledge of Allegiance

**ROLL CALL**

A Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, January 9, 2012 and was called to order at 7:00 p.m. by James Knoeller, Chairman. Other members present were Richard Kennedy, Arthur Miklosey, Nick Juliano, Jack Nosti and Ralph Lanuto. Also present were Alan Dittenhofer, engineer; Frank Holman, auditor; Edward A. Woolf, Executive Director, and Kathleen Barrett, Assistant Director. Mark Dykoff, Lacey MUA/Township Committee Liaison, arrived as reflected in the minutes.

**“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**

**Rate Hearing & Regular Meeting of December 5, 2012** - A motion was made by Mr. Nosti and seconded by Mr. Miklosey to approve the minutes of the Rate Hearing & Regular Meeting of December 5, 2012. Roll call vote: Nosti-Yes; Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

**EXECUTIVE  
DIRECTOR'S  
REPORT**

**Cash Balance Report - Period Ending November 30, 2012** - Mr. Woolf summarized the cash balances for period ending November 30, 2012 as follows: Total cash balance for the unrestricted accounts were \$5,393,133.87, with earnings of \$1,258.40. Total cash balance for the restricted accounts held by the trustee were \$9,244,525.54, with earnings of \$5,974.21. Current period interest on the restricted and unrestricted accounts was \$7,232.61. Year-to-date earnings on all interest bearing accounts were \$61,747.33.

**Resolution 2013-03 – Award Contract for Water Treatment Chemical Supplies 2013** – On recommendation by the executive director, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to adopt *Resolution 2013-03, 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 2013*. Roll call vote: Kennedy-Yes; Miklosey-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

**Resolution 2013-04 – Appointing Derek Verge to Utility Maintenance Operator Grade 1** – On recommendation by the executive director, a motion was made by Mr. Nosti and seconded by Mr. Kennedy to adopt *Resolution 2013-04, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Derek Verge to the position of Utility Maintenance Operator Grade 1*. Roll call vote: Nosti-Yes; Kennedy-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

**Resolution 2013-05 – Amending and Modifying Policy No. 308 – Health Insurance Benefits** – On recommendation by the executive director, a motion was made by Mr. Nosti and seconded by Mr. Miklosey to adopt *Resolution 2013-05, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Amending and Modifying Policy No. 308, Health Insurance Benefits of the Personnel Policy Handbook*. Mr. Woolf explained the amendment/modification is in accordance with State Chapter 78 of the Laws of 2011 regarding employees' contribution to their health insurance. Roll call vote: Nosti-Yes; Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

**Resolution 2013-06 – Amending and Modifying Policy No. 503 On-Call** – There was some language not included in this policy that was not included in the Union contract. On recommendation by the executive director, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to adopt *Resolution 2013-06, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Amending and Modifying Policy No. 503 On-Call of the Personnel Policy Handbook*. Mr. Woolf explained the amendment/modification pertains to language written in the Personnel Policy Handbook that was not included in the Union contract. Roll call vote: Kennedy-Yes; Miklosey-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

Mark Dykoff arrived during this portion of the meeting.

**Resolution 2013-07 – Authorizing Repayment of Funds to Ocean First Bank** – On recommendation by the executive director, a motion was made by Mr. Miklosey and seconded by Mr. Kennedy to adopt *Resolution 2013-07, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Authorizing Repayment of Funds to Ocean First Bank*. Roll call vote: Miklosey-Yes; Kennedy-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

**Professional Services Contract 2013** – Mr. Woolf requested authorization to advertise and receive proposals for professional services contract 2013. A motion was made by Mr. Kennedy and seconded by Mr. Miklosey authorizing advertisement to receive proposals for professional services contract 2013. Roll call vote: Kennedy-Yes; Miklosey-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

**Resolution 2013-08 – Letter of No Interest – Robert Vecchio** – On recommendation by the executive director, a motion was made by Mr. Miklosey and seconded by Mr. Kennedy to adopt *Resolution 2013-08, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Letter of No Interest – Minor Subdivision, Robert Vecchio, Block 1633.04, Lot 7.01*. Roll call vote: Miklosey-Yes; Kennedy-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

**Jersey Central Power & Light** – On recommendation by the executive director, a motion was made by Mr. Nosti and seconded by Mr. Miklosey to enter into an Agreement with Jersey Central Power & Light for Installation of Electric Distribution Facilities to service Well N0. 8. Roll call vote: Nosti-Yes; Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

## **BUSINESS REPORT**

**December Meter Reads** – Ms. Barrett reported 4,249 meters were read in December for Cycles 1, 4 & 9. One hundred sixty five work orders were cut to obtain manual reads not obtained during regular meter read routes. Seven reads were questioned because of high usage. Two customers were contacted by phone, and five customers were sent letters.

**January Billing** – Ms. Barrett reported utility bills were mailed on January 4<sup>th</sup> in the amount of \$1,043,295.59. Penalties were assessed on 3,603 past due accounts (all cycles) in the amount of \$23,087.29 for a total billing in January of \$1,066,382.88.

**Customer Service** – Ms. Barrett reported thirty-nine new customer welcome letters were mailed in November, and two responses were received in December. Thirty-eight final reads with equipment inspections were performed in December with no violations.

## **ENGINEER'S REPORT**

**Resolution 2013-01 – Maintenance Bond Release – Closeout Escrow Account – White Oaks at Lacey – Stafford Avenue Section – Ridgemont Homes, LLC.** - On recommendation by the Authority's engineer, a motion was made by Mr. Miklosey and seconded by Mr. Juliano to adopt *Resolution 2013-01, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Maintenance Bond Release, Closeout Developer Escrow Account, White Oaks at Lacey – Stafford Avenue Section, Ridgemont Homes, LLC.* Roll call vote: Miklosey-Yes; Juliano-Yes; Nosti-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

**Resolution 2013-02 – Accept Maintenance Bond – Release Performance Bond & Final Payment – Change Order No. 2 – Cleaning and Televising Sewer Contract No. 6 – Video Pipe Services** - On recommendation by the Authority's engineer, a motion was made by Mr. Miklosey and seconded by Mr. Kennedy to adopt *Resolution 2013-02, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Acceptance of Maintenance Bond, Release of Performance Bond and Final Payment, Change Order No. 2, Cleaning & Televising Sewer Contract No. 6, Video Pipe Services, Inc.* Change Order No. 2 represents a net contract decrease of (\$9,215.68). Roll call vote: Miklosey-Yes; Kennedy-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

**Water Treatment Plant No. 1 Upgrades** – Mr. Dittenhofer stated this project is ongoing. Filtration equipment is expected to be delivered to the site next week.

**Cleaning and Televising Contract No. 7** – Mr. Dittenhofer stated the contractor has completed punch list repairs. Closeout documents for the project are being prepared.

**S-2 and FRB-2 Pump Station Hydraulic Comminutor** – Mr. Dittenhofer stated a notice to proceed was issued December 13<sup>th</sup>. Submittals have been reviewed and approved.

**MUA Garage Property** – Mr. Dittenhofer stated his office has prepared the application for preliminary and final site plan for this property.

**Hill Street Water Tank** - Mr. Dittenhofer stated his office prepared the compliance review comments for this site.

## ATTORNEY'S REPORT

**Sprint Spectrum** – Mr. Dasti stated his office completed the closing of the Assignment of Lease Agreement to Sprint Spectrum. All monies have been provided to the Authority for deposit.

**Well No. 8 and Water Treatment Plant Site Plan Approvals** – Mr. Dasti stated the Planning Board approved the applications for Wells 7 & 8. A Resolution memorializing the approvals have been forwarded to the Authority.

**Hill Street** – Mr. Dasti stated RV&V is finalizing the filing of a minor subdivision map as to perfect the subdivision which was granted a few years ago. A zoning permit will be issued once the subdivision map is filed.

**MUA Garage** – Mr. Dasti stated the application for formal site plan approval for the cellular tower at the garage site has been filed, and a hearing is scheduled for February 11<sup>th</sup>. Mr. Knoeller asked Mr. Dasti to review the existing lease agreement between the Authority and the Board of Education concerning the garage facility.

## AUDITOR'S REPORT

**Accountant's Status Report – Month Ended November 30, 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 on sewer and water had a favorable variance for the month and year to date. Connection fees had an unfavorable variance on both water and sewer due to Hurricane Sandy. He stated the decline in revenue is almost 10% of the entire budget, which is a concern.

Mr. Knoeller asked Mr. Woolf to prepare a contingency plan outlining a 10% reduction in force between administrative and/or operational personnel. He stated this contingency plan may be necessary should revenues continue to decline. He asked for a presentation at the February Board meeting.

## CORRESPONDENCE

**Shirley Crane, Elwood Street** – Requesting relief of utility bill, due to water leak. Since the water that leaked 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 \$971.12 (151,000 gallons), as well as waiver of penalties of \$2.87, which accrued on the October bill. Roll call vote: Kennedy-Yes; Miklosey-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

**Karen Fuschini, Bay Way** - Requesting relief of utility bill, due to leak in sprinkler system. Since the water from the leak 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 \$447.10 (58,000 gallons). Roll call vote: Kennedy-Yes; Miklosey-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

**Yvonne Betlem, Capstan Drive** – Requesting relief of utility bill, due to broken pipeline. Since the water from the line going to the dock 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 \$390.72 (69,000 gallons). Roll call vote: Kennedy-Yes; Miklosey-Yes; Nosti-Yes; Juliano-Yes; Knoeller-Yes. Motion passed.

**OLD  
BUSINESS**

There was no old business to discuss.

**NEW  
BUSINESS**

Mr. Knoeller asked the Personnel Committee to make recommendations for officers at the reorganization meeting next month.

Mr. Knoeller asked Mr. Dittenhofer about the status of construction of the water treatment plant. Mr. Dittenhofer stated it should be completed by August.

**PUBLIC BUSINESS/  
COMMENT**

**Regina Discenza** – Mrs. Discenza asked if Wells 7 and 8 are up and running. Mr. Dittenhofer stated no - the contract deadline for this project is August.

Mrs. Discenza asked why the Township is requiring the Authority to apply for formal site plan approval and variances for the cellular tower at the garage site. Mr. Dykoff informed Mrs. Discenza she would have to contact Community Development for this information. Mr. Knoeller added that Authority intends to comply with all the requirements requested by the Township, although was hoping to pay less in fees.

In regards to the budget issues and contingency plan, Mrs. Discenza asked if the Authority is contemplating downsizing LMUA personnel. Mr. Knoeller stated if revenues continue to decline the Authority may be forced to find an area to make up that revenue. The only area would be through reduction in personnel. Mrs. Discenza suggested a reduction in hours as opposed to downsizing. Mr. Knoeller stated all avenues would be looked at.

**Bill Moss** – Mr. Moss asked if water and sewer hook-up fees would be amended for homes that were demolished and rebuilt due to Hurricane Sandy. Mr. Knoeller stated a procedure has been put in place where those affected must notify the Authority to have their services shut off. Those homes would be inspected and a determination made in-house to stop the sewer and water charges. In addition, there will be no new connection fee charge.

**Regina Discenza** – Mrs. Discenza asked how many homes were affected by the storm. Mr. Woolf stated the Authority is working with the Community Development department to determine which homes have been affected. At this point there are less than 50 homes deemed uninhabitable.

**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 \$316,548.72 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; Juliano, Yes, but abstains on Eastern Warehouse Distributors; Kennedy-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

