

**LACEY MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
JUNE 5, 2013**

Pledge of Allegiance

ROLL CALL

A Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, June 5, 2013 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 Mr. Lanuto. Also present were Jerry Dasti, attorney; Frank Holman, auditor; Alan Dittenhofer, engineer; 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**

Regular Meeting of May 1, 2013 - A motion was made by Mr. Miklosey and seconded by Mr. Kennedy to approve the minutes of the Regular Meeting of May 1, 2013. Roll call vote: Miklosey-Yes; Kennedy-Yes; Juliano-Yes; Masciale-Abstain; Knoeller-Yes. Motion passed.

**BUSINESS
REPORT**

May Meter Reads – Ms. Barrett reported 3,776 meters were read in May for Cycles 3 and 9. One hundred nine work orders were cut to obtain manual reads not obtained during regular meter read routes.

June Billing – Ms. Barrett reported utility bills were mailed on June 5th in the amount of \$658,181.50. Penalties were assessed on 3,380 past due accounts (all cycles) in the amount of \$16,591.16 for a total billing in June of \$674,772.66.

Customer Service – Ms. Barrett reported twenty-three new customer welcome letters were mailed in April, and nine responses were received in May. Forty-one final reads with equipment inspections were performed in May with no violations.

MUAA Dinner/Meeting – Ms. Barrett reported the MUAA dinner/meeting will be held Thursday, June 13th.

Superstorm Sandy - Ms. Barrett reported as of April 30th there were ninety six water turn offs due to the storm at no charge to the customer. Field crew performed one

hundred two storm related repairs. LMUA charges were discontinued, or to be discontinued, to 38 damaged homes in Cycle 3, of these one has reconnected, and 48 damaged homes in Cycle 2, of these five have reconnected. One submerged meter was replaced in Cycle 3 and five meters in Cycle 2, at no charge to customer. She stated the list of meters potentially affected by the storm is still being generated. The LMUA can expect to replace all submerged meters in the next 18 to 24 months.

EXECUTIVE DIRECTOR'S REPORT

Cash Balance Report - Period Ending April 30, 2013 - Mr. Woolf summarized the cash balances for period ending April 30, 2013 as follows: Total cash balance for the unrestricted accounts were \$6,050,195.59, with earnings of \$1,545.18. Total cash balance for the restricted accounts held by the trustee were \$7,256,686.01, with earnings of \$1,747.37. Current period interest on the restricted and unrestricted accounts was \$3,292.55. Year-to-date earnings on all interest bearing accounts were \$19,506.58.

Resolution 2013-34 – Appointing Edward A. Woolf as Public Agency Compliance Officer – On recommendation by the executive director, a motion was made by Mr. Masciale and seconded by Mr. Kennedy to adopt *Resolution 2013-34, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Edward A. Woolf as Public Agency Compliance Officer*. Roll call vote: Masciale-Yes; Kennedy-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

Resolution 2013-33 – Appointing Derek Verge to Utility Maintenance Operator Grade II – On recommendation by the executive director, a motion was made by Mr. Miklosey and seconded by Mr. Juliano to adopt *Resolution 2013-33, 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 II*. Roll call vote: Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Resolution 2013-35 – Award Fair and Open Contract for Uniform Services – On recommendation by the executive director, a motion was made by Mr. Miklosey and seconded by Mr. Masciale to adopt *Resolution 2013-35, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Award of Fair and Open Contract for Uniform Services to American Wear*. This contract is in the amount of \$7,082.40 per year for three years. Roll call vote: Miklosey-Yes; Masciale-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Resolution 2013-36 – Award Non-Fair and Open Contract for Operations & Maintenance Electric Supplies and Support – On recommendation by the executive director, a motion was made by Mr. Miklosey and seconded by Mr. Kennedy to adopt *Resolution 2013-36, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Award of Non-Fair and Open Contract for Operations & Maintenance Electric Supplies and Support*. This contract was awarded to CW Sales Corporation. Roll call vote: Miklosey-Yes; Kennedy-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Resolution 2013-37 – Award Non-Fair and Open Contract for Electrical Maintenance and Repair Service – On recommendation by the executive director, a motion was made by Mr. Miklosey and seconded by Mr. Masciale to adopt *Resolution 2013-37, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Award of Non-Fair and Open Contract for Electrical Maintenance and Repair Service*. This contract was awarded to Westphal Electrical Contractor, Inc. Roll call vote: Miklosey-Yes; Masciale-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Resolution 2013-39 – Designating Tammy Fetherman for Enrollment in the GovConnect Email Program – On recommendation by the executive director, a motion was made by Mr. Masciale and seconded by Mr. Juliano to adopt *Resolution 2013-39, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Designating Tammy Fetherman for Enrollment in the GovConnect Email Program*. This enrollment will be effective July 1, 2013. Roll call vote: Masciale-Yes; Juliano-Yes; Miklosey-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Resolution 2013-40 – Award Contract for Online Credit Card Payments – Point & Pay, LLC. – Mr. Woolf stated he has reviewed three proposals from companies offering the Authority the ability to accept on-line credit card payments for utility bills. After review of the proposals, he recommends awarding the contract to Point & Pay, LLC. He stated customers would be able to pay on-line with a credit card for a fee of 2.65%, such fee to be paid to the company. The Authority would not pay any fees.

Mr. Dasti had a concern on the Services Agreement Section 1.4 which states...”client will use reasonable efforts to promote the Services and build awareness of the Services with its customers through various media.....” He asked if the Authority was willing to get involved in promoting this company. Mr. Woolf stated the Authority would be promoting the service, not the company, through bill inserts, and through the LMUA website. Mr. Knoeller recommends informing customers through a bill stuffer of the ability to pay their utility bill by a credit card at a fee of 2.65%. On recommendation by the executive director, a motion was made by Mr. Masciale and seconded by Mr. Juliano to adopt *Resolution 2013-40, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Award Contract for the Acceptance of Online Credit Card Payments for Sewer and Water Utility Payment to Point & Pay, LLC*. Roll call vote: Masciale-Yes; Juliano-Yes; Miklosey-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed. Mr. Masciale noted the approval of this Resolution is with the stipulation that the Authority would not be promoting the company.

ENGINEER'S REPORT

Resolution 2013-38 – Permit to Operate – Sea Breeze at Lacey – Phase 2, Section 2D - On recommendation by the Authority's engineer, a motion was made by Mr. Miklosey and seconded by Mr. Juliano to adopt *Resolution 2013-38, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Permit to Operate – Sewer and Water System, Sea Breeze at Lacey, Phase 2, Section 2D, Duneberry Drive, Cameron Court & Hamptonshire Way, Block 1901, Lot 18*. Roll call vote: Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Water Treatment Plant No. 1 Upgrades – Mr. Dittenhofer stated this project is ongoing. The backwash tank wall is under construction.

Cleaning and Televising Contract No. 7 – Mr. Dittenhofer stated this project is complete. Closeout documents for this project are being prepared.

Installation of Hydraulic Grinder at Parkers Point and L-4 Pump Station – Mr. Dittenhofer stated bids were received May 29th and are currently under review.

Cleaning & Televising Contract No. 8 – Mr. Dittenhofer stated this project is under design.

Decommissioning of Brookdale Wells 1 and 2 – Mr. Dittenhofer stated this project is under design. Mr. Masciale asked when the two wells would be completed. Mr. Dittenhofer anticipates within 30-45 days. Mr. Miklosey asked how long it would take to decommission the wells. Mr. Dittenhofer stated approximately 30 days.

ATTORNEY'S REPORT

Superstorm Sandy Issues – Mr. Dasti stated a meeting was held with representatives of the Bathgate Law Firm and Chip Merlin, Esq. to discuss possible representation in dealing with the Authority's excess liability insurance carrier in an attempt to recover lost sewer and water revenues due to Superstorm Sandy. He stated if they do not succeed it would be at no cost to the Authority. If they do succeed, their fee would be 10% of the amount reimbursed to the Authority. Mr. Knoeller pointed out the fees do not include any litigation. If it comes to the point where litigation is involved, then it would have to be discussed if the Authority should move forward with it. Mr. Dasti recommends meeting with them to discuss this issue further.

In regards to the FEMA loan, Mr. Holman reported the Authority was unable to prove a 5% revenue loss to qualify for the loan. Mr. Masciale pointed out the attorneys may be able to identify areas of reimbursement the Authority is not aware of. Mr. Dasti recommended signing the Agreement at no cost to the Authority. A motion was made by Mr. Masciale and seconded by Mr. Kennedy to enter into an Agreement with Bathgate, Wegener & Woolf, P.C. Roll call vote: Masciale-Yes; Kennedy-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

Crown Castle Lease Extension – Mr. Dasti stated the Township Committee has authorized execution of an easement in favor of the Authority. Thereafter, the easement can be assigned to Crown Castle. He expects to have this finalized within the next thirty days.

OCUA Deficiency - Mr. Dasti stated he is awaiting information on who the arbitrator would be concerning this issue.

Lacey MUA Bond Refunding 2013 – Mr. Dasti stated he anticipates that a Financial Advisor be appointed at next month's meeting.

Union Negotiations – Mr. Dasti reminded the personnel committee that union negotiations are scheduled for tomorrow.

**AUDITOR'S
REPORT**

Accountant's Status Report – Month Ended April 30, 2013 – Mr. Holman reported sewer and water expenses and revenues resulted in a favorable variance for the month. Connection fees resulted in a favorable variance, due to connection fees for Toll Brothers.

A finance committee will be held next week to discuss the appointment of a financial advisor.

CORRESPONDENCE

Jean Carr, Cable Drive – Requesting relief of utility bill, due to unexplained high water usage. Based upon the available information, a waiver of the portion of the charges could not be supported.

Linda Milano, Bowsprit Point – Requesting waiver of service fee. Based upon the available information, a waiver of the portion of the charges could not be supported.

Richard Holzer, Hollywood Blvd. South – Requesting relief of utility bill, due to filling pool without pool fill meter. Since the water consumption was only 9,000 gallons, a credit of 25,000 gallons could not be granted.

Kathleen Dicedue, Kauai Drive – Requesting relief of utility bill, due to water leak. Since the accrual of water and sewer charges was due to a leak in a storm damaged home, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to grant a sewer credit adjustment in the amount of \$188.86 (38,000 gallons), and \$234.09 on the water charges. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Joanna DiMaria, N. Main Street – Requesting relief of utility bill, due to broken water pipe. 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 \$875.20 (115,000 gallons) for the April bill. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Roberta Eckerman, Terry Avenue – Requesting payment plan. After consideration of this request, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to grant a payment plan. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

George Knapp, Lanlac Drive – Requesting payment plan. After consideration of this request, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to offer a payment plan in the amount of \$500.00 per month from July, 2013 through April 2016. If at any time the payment plan is in default, payment will be due in full and a water shut off notice will be issued. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**OLD
BUSINESS**

Resolution 2013-32 – Memorializing action taken on May 1, 2013 – Appointing Gluck Walrath, LLP as Authority Bond Counsel – A motion was made by Mr.

Kennedy and seconded by Mr. Miklosey to adopt *Resolution 2013-32, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Memorializing action taken on May 1, 2013, Appointing the Firm Gluck Walrath, LLC as Authority Bond Counsel*. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Professional Services Agreement – Gluck Walrath, LLC – Authority Bond Counsel
Chairman Knoeller and Secretary Kennedy executed the Professional Services Agreement between the Lacey Municipal Utilities Authority and Gluck Walrath, LLC for the period from May 1, 2013 to April 30, 2014.

**NEW
BUSINESS**

Maria Alamo – Mr. Knoeller discussed the letter the Authority received from Maria Alamo regarding the due date on the utility bill. She points out she received her bill on May 7th, and the due date is May 15th, making it unrealistic to have the bill paid in six business days. Mr. Knoeller recommended the due date be changed to the last business day of the month. There will be no grace period and penalties would accrue after that date. A motion was made by Mr. Masciale and seconded by Mr. Kennedy to change the due date on the utility bill from the 15th of the month to the last business day of the month. Roll call vote: Masciale-Yes; Kennedy-Yes-; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

**PUBLIC BUSINESS/
COMMENT**

Regina Discenza – Mrs. Discenza asked how many homes are operating at Sea Breeze at Lacey Phase 2. Ms. Barrett stated approximately 104 homes are operational.

**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 \$1,236,034.66 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. Masciale to adopt the above resolution. Roll call vote: Miklosey-Yes; Masciale-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 7:35 p.m.

Respectfully submitted,

Michele Kennedy
Secretary

