

The regular meeting of the Little Egg Harbor Municipal Utilities Authority was held on December 10, 2013 at 5:00 P.M. at the Authority headquarters, 823 Radio Road, Little Egg Harbor Township, New Jersey.

MEMBERS PRESENT: Joseph Mezzina, Chairman; Joseph Koptic, Vice Chairman; Margaret DePergola, Secretary; Richard Crea; Earl Miller, Treasurer; Richard Robins; Marie Skelly

MEMBERS ABSENT: None

OTHERS PRESENT: Michael DiFrancia, Superintendent; Colleen Kleinow, Administrative Assistant; Nicole Mezzina, Executive Secretary; Alan Dittenhofer, Authority Engineer; Christopher Connors, Authority Attorney

OTHERS IN ATTENDANCE PER SIGN-IN SHEET: Richard Leonardis

Mr. Mezzina opened the meeting and led the Pledge of Allegiance.

Mrs. Kleinow read the following announcement:

In accordance with the Open Public Meetings Law, this meeting has been duly advertised in the Atlantic City Press and Asbury Park Press, also posted and filed in the Office of the Clerk of the Township of Little Egg Harbor. Resolutions are posted on the bulletin board.

The Chairman acknowledged a gentleman in the audience, Mr. Richard Leonardis. He had questions regarding a tax sale certificate that was sold in 2007 and monies still due the Authority.

Mr. Leonardis advised the Board that when he purchased the lien for the Oswald property that the MUA and Town each got a portion of the monies. When it was finally sorted out, he paid the taxes that were due the Township. He stated that he tried to pay the water bill, but the MUA didn't have an amount therefore he couldn't pay the bill. As a tax lien holder he would fax in the form when paying bills, but the MUA sent it back to him that they couldn't accept it because they weren't in agreement with the figure from Little Egg Harbor Township.

Mr. Leonardis stated that Dave and Dayna, the Tax Collector, had sorted out the tax sale payment, but when he asked what he owed for water and sewer, he was told originally \$7,500.00, which he thinks is way out of line. He discussed with Dave that he would pay the actual water and sewer charges without the interest since we wouldn't take his payments. Dave told him to put it in writing, and he would bring it before the Board. That meeting with Dave took place in August 2013. He stated that he was charged \$1,450.00 for an outside meter, which he didn't want.

Ms. Nicole Mezzina advised that charge was for a meter pit. We tried to contact the owner to get into the house to change the old meter to the new system but never received any response; therefore, it was necessary for the outside meter and pit.

Mr. Mezzina stated that Mr. Leonardis was not charged personally and was not the owner and merely held a tax lien. Any home we could not gain access to had the same meter pit installed, and the cost was charged to the property.

Mr. Leonardis stated as a lien holder he has properties all over the place. Usually the Attorney sends letters if the Town is doing something. No one notified him about the meter.

Ms. Mezzina advised that a letter was sent to the property owner at the time the Authority was doing the meter installation project.

Mr. Leonardis advised that the woman who owned the property is dead.

Mr. Mezzina stated that she has an estate, and they had to receive notice.

Mr. Leonardis stated that we are not supplying water and sewer to the property so why are we installing a meter. What are we reading? A meter pit was installed, but he was not notified. He told Dave he would pay the water and sewer bill but not for the meter pit.

Mr. DiFrancia advised that notification letters were sent to homeowners to have a new meter installed in their homes. There was no response so a meter pit was installed. There was service to the house so it was still an active account.

Mr. Leonardis stated that no one lives there. Service is not being supplied.

Mr. Mezzina asked Counsel whether we have an obligation to contact the lien holder.

Mr. Connors advised that we do not. Only the owner of record has to be notified.

Mr. Leonardis stated again that he wants to pay the water and sewer bill, but not the meter pit. When he spoke with Dave, Dave told him that he owed \$7,500.00 and explained the charges. They went through all the figures.

Mr. Leonardis stated that he told Dave that he disagreed with the figures. He doesn't believe the amount is right.

Mr. Leonardis further stated that he received a letter from Chris Connors stating that he owed \$5,562.40, but his Attorney didn't agree, and Mr. Connors didn't respond to his letter.

Mr. Connors advised that he called Mr. Leonardis' Attorney. He can't respond to Mr. Leonardis because he has Counsel.

Mr. Leonardis advised the Board that tax sale is December 17, 2013, and this needs to be resolved. This started out at \$7,500.00, the letter says \$5,500.00, and it is going to tax sale for \$4,289.12. The services were cut and capped on May 22, 2013, and he comes up with \$540.00 for the water bill and \$1604.00 for the sewer bill. He thinks he owes us \$2,144.00 per his calculation.

Mr. Leonardis also inquired how you can charge interest if you won't allow me to pay the bill.

Mr. Leonardis stated that he paid his taxes and would have paid the water and sewer if we would have taken his money. When you go to tax sale, you have to certify the figures. If you do the math, you will see these figures are wrong.

Mr. Mezzina stated that we are not going to sit here and do the math.

Mr. Connors stated that he appreciates Mr. Leonardis being here. It is a good thing. He didn't know that Mr. Leonardis would be here, but he appreciates his attendance.

Mr. Leonardis stated that he decided today.

Mr. Connors stated that there is an indication that Counsel represents Mr. Leonardis, and not withstanding what his Legal Counsel told him, the fact that Mr. Leonardis is here signifies that he wants to work out an amicable agreement.

Mr. Connors inquired whether Mr. Leonardis would agree to a meeting between himself, Mr. Johnson, and both Legal Counsels rather than trying to reconcile numbers here because of the number of individuals that calculated it.

Mr. Mezzina stated that the recommendation of Counsel is a good one. Listening to numbers is meaningless. The figures have to be in writing.

Mr. Leonardis stated that the numbers came from us.

Mr. Mezzina stated that a decision won't be made this evening.

Mr. Leonardis stated again that he is willing to pay all the water and sewer charges minus the meter pit that should not have been installed. He also feels that he shouldn't pay the interest because we wouldn't let him pay the bill. He doesn't feel that we should be going to tax sale with any of these numbers. We had \$7,500.00 and \$5,562.00. Dayna has \$4,289.00. None of which can be verified.

Mr. Mezzina stated that he understands but can't answer him right now. He doesn't have all the facts and figures.

Mr. Mezzina advised that what our Counsel suggested still stands. Mr. Leonardis can meet with the Executive Director when he returns on Thursday.

Mr. Leonardis stated that the tax sale is next week and his lawyer has to file something tomorrow to avoid the tax sale.

Mr. Connors advised that the Director would be back in the office on Thursday.

Mr. Leonardis stated that doesn't give him enough time to file something in court so he doesn't go to tax sale.

Mr. Connors stated that he couldn't do anything tonight. Come Thursday we will have the full circumstances.

Mr. Leonardis stated that he doesn't believe Thursday is enough time to file something.

Mr. Connors stated that he doesn't see why he wouldn't have enough time. His Attorney will tell him that you can file anything at any time.

Mr. Mezzina stated that he could deposit the tax sale amount in escrow.

Mr. Connors stated that would be up to his Counsel.

Mr. Leonardis stated that then at least he would be paying something.

Mr. Connors stated that he could put money in escrow with his Legal Counsel.

Mr. Mezzina stated that we could get in touch with the Tax Office so the property doesn't go to tax sale.

Mr. Mezzina thanked Mr. Leonardis for coming and wished him a Merry Christmas and mentioned that he should foreclose on his liens.

Mr. Leonardis thanked the Board and excused himself from the meeting.

PRIOR MINUTES

A motion was made by Mr. Miller, seconded by Mrs. DePergola to approve the minutes of the regular meeting held November 12, 2013. Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Richard Crea – yes, Joseph Koptic – yes, Joseph Mezzina – yes.

TREASURER'S REPORT

A motion was made by Mr. Koptic, seconded by Mrs. DePergola to approve the Treasurer's Report as submitted. Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Richard Crea – yes, Joseph Koptic – yes, Joseph Mezzina – yes.

BILLS RESOLUTION

A motion was made by Mr. Koptic, seconded by Mr. Miller to approve the operational account bills resolution. Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Richard Crea – yes, Joseph Koptic – yes, Joseph Mezzina – yes, but abstained on checks #19825 and #19826.

ENGINEER'S REPORT

Mr. Dittenhofer advised that the written report was forwarded to the Board for their review and approval. If anyone has questions, he is happy to answer them at this time. There are a few action items for later in the meeting under the Plans Committee Report and agenda.

There were no questions or comments.

A motion was made by Mr. Koptic, seconded by Mr. Miller to approve the Engineer's Report as submitted. All in favor.

EXECUTIVE DIRECTOR'S REPORT

Mr. Mezzina commented on Item #2 stating it is good news that OCUA is not changing their rates in the upcoming new year. Unfortunately there probably will be less usage, but the rate staying the same is a positive.

Mr. Mezzina stated that action is required on Item #3. There is a resolution appointing our Executive Director as the Public Agency Compliance Officer for 2014.

A motion was made by Mr. Koptic, seconded by Mr. Miller approving Resolution #2013-72 appointing David Johnson as Authority Public Agency Compliance Officer. Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Richard Crea – yes, Joseph Koptic – yes, Joseph Mezzina – yes.

Mr. Mezzina stated he wouldn't be here for the January meeting, but our risk management consultant, Mike Avalone, will be here to conduct the training seminar as usual. Maybe it would be possible for him to meet with Mike in private so he could still get the credit to reduce our insurance premium.

Mr. Mezzina thanked everyone for their support in sending the letter to the Township asking for his re-appointment to the Board. He appreciates their confidence in him.

Mr. Mezzina stated that the Director asked for authorization to solicit professional services through the fair and open process again this year. The Board agreed to continue with that process again for next year.

Mr. Mezzina stated the rest of the report was self-explanatory.

A motion was made by Mr. Koptic, seconded by Mr. Miller to approve the Executive Director's Report as submitted. All in favor.

SUPERINTENDENT'S REPORT

1 – Mr. DiFrancia advised the Board we discussed last meeting that the Borough of Tuckerton is preparing an Interlocal Agreement for him to take over their system as licensed operator when their Superintendent is away. Their Counsel is preparing the agreement and hopefully we will have it next month. He has taken over Tuckerton's system again as their Superintendent had to leave again for a family emergency.

Mr. Mezzina stated that since we already gave permission for our Superintendent to do this if there were no issues with him doing so, this item does not have to be reported again.

Mr. DiFrancia advised that he reported it because this is the second time that he is running the system and because the agreement is in the process of being prepared.

2 – Mr. DiFrancia advised that at the time of his report being written, we anticipated delivery of our new dump truck within the next week. The new truck should be delivered tomorrow. The old dump truck is not working anymore either.

3 – Mr. DiFrancia advised the Board that he received a letter from DEP regarding the handling and disposal of asbestos material.

Mr. DiFrancia stated that when asbestos pipe is taken out of the ground, it can't be transported from the site and stored at another facility and then taken to the landfill. It has to be stored at the generated site and transferred directly to the landfill. We were told we were in violation because we were acting as a transfer station.

Mr. DiFrancia stated that after 10 months of letters going back and forth, we were approved to keep the material on our site at the Authority. It will be under lock and key and will go to the landfill every time we accumulate three cubic yards.

Mr. DiFrancia stated that the last item is the leak report. There were eleven leaks. Our guys have been very busy but are doing a great job. That is all he has for his report unless anyone has questions. There were none.

A motion was made by Mr. Koptic, seconded by Mrs. DePergola to approve the Superintendent's Report as submitted. All in favor.

PLANS COMMITTEE REPORT

1 - Mr. Mezzina stated that there was only one item on the report. A preliminary water and sewer application was submitted for a property, which is outside our system. Well and septic systems are appropriate for this property. There are resolutions on the agenda.

A motion was made by Mr. Koptic, seconded by Mr. Miller to approve Resolution #2013-73 granting preliminary water approval for Collazzo Properties LLC, Block 80 Lots 14.05 & 14.06. Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Richard Crea – yes, Joseph Koptic – yes, Joseph Mezzina – yes.

A motion was made by Mr. Koptic, seconded by Mr. Miller to approve Resolution #2013-74 granting preliminary sewer approval for Collazzo Properties LLC, Block 80 Lots 14.05 & 14.06. Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Richard Crea – yes, Joseph Koptic – yes, Joseph Mezzina – yes.

STORM REPORT

Ms. Mezzina advised that this report is an update of costs as of the last report submitted September 30, 2013. We received an additional \$69,995.50 from our insurance company for the vehicles. We are ahead of the game in the vehicle area. We received \$133,148.63 for the sewer lines project from FEMA. We are in the process of preparing a request for reimbursement for the electrical repairs due to the storm. This is the first one she will process.

Ms. Mezzina stated that the project is 75% complete so we are able to ask for reimbursement at this time. It is a long, tedious process.

Mr. Mezzina stated that the report shows the monies expended and received and whether there is a deficit, but inquired what we applied for.

Ms. Mezzina advised that each one is different. Meters are a project worksheet. That is a million dollar project.

Mr. Mezzina recommended that the amount filed for in each claim should be added to the report.

Ms. Mezzina advised that we didn't file a claim; FEMA did a cost estimate.

Mr. Mezzina stated that we should have a better understanding of the claim in totality.

Ms. Mezzina stated that she would add that to the report.

Mr. Mezzina stated that the report was well done but just that one item left out should be added.

ATTORNEY'S REPORT

Mr. Connors advised that all parties executed the Winding Run Estates settlement agreement. In addition to that agreement, the Authority and Ryan Homes, which was a Non-Party to the litigation, finalized an agreement that the Authority should execute tonight. This was addressed last month, and a resolution was adopted by title at the November meeting, which authorized execution of the settlement agreement with Ryan Homes. The agreement authorizes release of the escrow funds posted by Ryan Homes with the exception of \$10,000.00 to be retained for any engineering costs necessary. He has the agreement with him to be signed this evening.

Mr. Connors stated that our Engineer is following up on finalizing the remaining outstanding items with respect to the South Shore Properties matter.

Mr. Connors advised with respect to the Oswald/Leonardis property that this is what Mr. Leonardis brought up this evening.

Mr. Connors stated that he would contact the Executive Director Thursday morning and attempt to resolve this matter once and for all.

Mr. Mezzina stated that Mr. Leonardis brought out a very good point. It is puzzling how there are three different numbers for the balance due. He stated that he made it clear that Mr. Leonardis will be responsible for paying for the meter pit. We should not have conversation on that. Although he was not notified of the meter pit as lien holder, it is not our obligation to notify him. However, we should look at this objectively. Maybe we should waive the interest in order to put this matter to bed.

Mr. Connors stated that would be his recommendation as well.

Mr. Mezzina stated that we can't have three different figures, though. Mr. Leonardis mentioned something like \$7,500.00, \$4,200.00, and \$5,500.00.

Mr. Mezzina stated that whatever figure we put on record for the lien is what he believes we have to live with.

Mr. Connors stated whatever we certified to the Town.

Mr. Mezzina stated that he would leave the latitude up to our Counsel and Director so formal action doesn't have to come back to the Board. Obviously something needs to be done before next meeting because of tax sale.

A motion was made by Mr. Koptic, seconded by Mrs. DePergola authorizing the Executive Director, with advice of our Legal Counsel, to negotiate the amount due for the Oswald/Leonardis property to resolve this issue. Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Richard Crea – yes, Joseph Koptic – yes, Joseph Mezzina – yes.

Mr. Mezzina asked whether there were any other matters to come before the Board. There were none.

A motion was made by Mr. Koptic, seconded by Mr. Miller to accept and file all correspondence. All in favor.

A motion was made by Mr. Koptic, seconded by Mr. Miller to open this portion of the meeting to the public. All in favor.

There being no public in attendance, a motion was made by Mr. Koptic, seconded by Mrs. DePergola to close the public portion of the meeting. All in favor.

There being nothing further and no matters for executive session, a motion was made by Mr. Koptic, seconded by Mr. Miller to adjourn. All in favor.

SECRETARY

Approved on (date)