

**Minutes of a Special Meeting of the  
Brick Township Municipal Utilities Authority**

**JULY 10, 2013 – 10:00 a.m.**

**1. SALUTE TO THE FLAG OF THE UNITED STATES OF AMERICA**

Chairman Cartine called the meeting to order and asked everyone to stand to recite the Pledge of Allegiance.

**2. OPENING STATEMENT**

Ms. Sylvester read the opening statement as follows: *“This meeting is being conducted pursuant to the Open Public Meetings Act, being Chapter 231 of the Laws of 1975. In accordance with the requirements of this law, a Special Meeting Notice was published on July 2, 2013 in the Asbury Park Press. Similar Notice was given to the Clerk of the Township of Brick and placed on the bulletin board maintained for this purpose by the Authority as well as the Authority's official website.”*

**3. ROLL CALL**

**Members Present**

Patrick L. Bottazzi  
John Ciocco  
Edward J. McBride  
Allan E. Cartine

**Others Present**

James Lacey, CPWM, Exec. Dir.  
Stephen T. Specht, PE, Dir. Engr/Ops- Dep. E.D.  
Frank Planko, CFO  
Joseph Maggio, PE, Dir. Water Quality  
Frank Pannucci, Dir. Customer Accounts  
Marie Sylvester, Exec. Supervisor  
Christopher Dasti, Esq., Authority Gen. Counsel;

**Members Absent**

Joseph M. Veni  
James Fozman  
George Cevasco

Ms. Sylvester advised, “Mr. Chairman there is a quorum and both Commissioners Ciocco and McBride will be voting this morning.”

Chairman Cartine stated, “Just a note I know that Commissioner Cevasco is ill and as far as Commissioner Fozman is concerned I have no reason why he is not here in attendance. As far as Joe Veni is concerned he had to work today and that checks out the commissioners who are not here.”

Chairman Cartine continued, “We will get right onto why we have called this special meeting today Item No. 4, Resolutions 53-13. Counselor will you please tell us about the resolution.”

#### **4. RESOLUTIONS**

**53-13** Appointing Bathgate, Wegener & Wolf, P.C. and the Merlin Group, P.A., as Special Co-Counsel for the Brick Township Municipal Utilities Authority

Counselor Dasti advised, "This resolution is to appoint the Bathgate Law Firm and Chip Merlin who is an attorney that specializes in representing insureds, specifically with regard to natural disasters and trying to negotiate with the insurance companies and to recover lost revenue whether it be from tax payers or rate payers. Mr. Merlin travels literally across the country any time there is any kind of natural disaster. Hurricane Katrina with the Tornados they had back in May or April in Oklahoma and he is able to negotiate with the insurance company. He reviews the insurance policy and negotiates lost revenues and other types of items that would be beneficial to the MUA. There is no outlay of costs by the MUA to hire him for his services. It is a contingency fee based on the agreement where they will recover 10% of whatever is recovered. This resolution does not encompass any type of litigation if the MUA had to sue the insurance company to recover any other fees that would be resolved by way of another resolution."

Comm. Bottazzi stated, "Question. We have to approve the charges per hour. Have they submitted any charges per hour that they are going to work."

Counselor Dasti advised "It won't be hourly work. It will be a contingency where they will get 10% of what they recover. It is not hourly work. There is no hourly charge at all. They will only get..."

Comm. Bottazzi asked, "How do we determine that we need them to go for the insurance money? Is that what you are saying and what kind of insurance money?"

Counselor Dasti replied, "Well they will review the insurance policy that the MUA has and be able to negotiate with the insurance company to try to get a maximum recovery of revenue that the MUA has lost as a result of Hurricane Sandy. Whether it be as a result of homeowners not coming back and using their homes and using the water and sewer services of the MUA. This entity is able to look at the policy and negotiate with the insurance company all of the lost revenue as a result of the storm."

Comm. Bottazzi stated, "There is a blank for me. I don't oppose it, don't misunderstand me, but what insurance company? When have we ever had a problem with insurance if we didn't have our own claim?"

Chairman Cartine stated, "Let me see if I can explain it in lay terms and I think you can recognize this because you utilized them. This firm is like your insurance adjuster. When you had damage with that hurricane down in Florida and with Sandy here. Insurance companies sometimes you have to bow with them to get payment out of them with where they claim that you had no coverage. This law firm goes after the insurance company just like an adjuster would and say *wait a minute this is how we read the policy you want to pay my client \$20,000 and we believe you should be paying our client \$40,000.* You went through this with your insurance company and consequently we are going through that with our insurance company with regards to damages that they refuse to pay us for so that we can recover our losses. I am over simplifying it but I am

equating it with you going out personally for your own sake getting an outside adjuster to come back and that is what this is all about. Merlin Associates, I met with them about two weeks ago. they are from Tampa Florida and they have excellent credentials with regards to representing cities, towns, any government functioning agency where they were able to recover certain amounts of money which would have been denied those entities if it had not been for their work. It doesn't cost us one penny until they collect. We are paying 10% of whatever they collect for us. We think that is a good deal. It is money that we would have probably never had that we are recovering at this point and if they never recover a dime for us we don't owe them anything. They are here on a contingency. The reason why we have two law firms here is we have the Bathgate Wegener law firm because they are going to represent Merlin in New Jersey. They have already signed up clients throughout Ocean and Monmouth County towns that had quite a bit of damage and Bathgate will be the New Jersey local lawyer representing Merlin in their quest. I hope that answers the question."

Comm. Bottazzi replied, "Yes, but we don't have anything pending at this point?"

Director Lacey advised, "They are going to have to put a claim in. They are going to look at our policy. We have plenty of damage."

Comm. Bottazzi asked, "That we feel that we didn't get..."

Director Lacey advised, "As they read through the policy if they think there is some loop holes there that we can recover."

Comm. Bottazzi stated, "We should start on our well then that collapsed."

Director Lacey replied, "Maybe that will be part of it (in jest, laughter)"

Chairman Cartine stated, "No that didn't happen during Sandy. At any rate, although it might be a little side thing there. Who knows. So there you have it. Are there any questions from the Commissioners on 53-13. Seeing none. I am going to ask for a motion."

Comm. Bottazzi made a motion to approve Resolution 53-13. Seconded by Comm. Ciocco.

AYES: Commissioners McBride, Ciocco, Bottazzi, Cartine

NAYS: None

ABSTAIN: None

Chairman Cartine stated, "And let me just go through the agenda because it is an advertised meeting. Any old business? No. Any new business? No. Any public discussion? There is no one here from the public and we get down to the closing statement Marie."

**5. OLD BUSINESS**

**6. NEW BUSINESS**

**7. PUBLIC DISCUSSION**

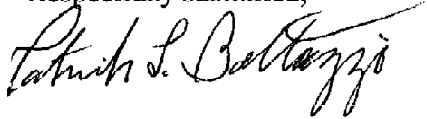
**8. CLOSING STATEMENT**

Ms. Sylvester read the closing statement as follows: *"The next meeting of the Authority will be a Public Meeting on Monday, July 22, 2013 at 7:00 p.m. in the main conference room.*

**9. ADJOURNMENT**

On motion duly made and seconded the group adjourned at 10:10 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Patrick L. Bottazzi". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

Patrick L. Bottazzi, Secretary

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