

**LACEY MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
JULY 1, 2015**

Pledge of Allegiance

ROLL CALL

The regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, July 1, 2015 and was called to order at 7:00 p.m. by James Knoeller, Chairman. Other members present were Michael Masciale, Richard Kennedy, Jack Nosti, Ralph Lanuto and Paul DeNicola. Also present were Jerry Dasti, attorney; Frank Holman, auditor; Alan Dittenhofer, engineer; Felipe Contreras, engineer; Deborah Busch, office manager, and Edward A. Woolf, Executive Director. Nick Juliano, Lacey MUA/Township Committee liaison also attended the meeting.

**“SUNSHINE
LAW”
STATEMENT**

Mr. Knoeller read the following statement.

Notice of this 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 June 3, 2015 - A motion was made by Mr. Masciale and seconded by Mr. Kennedy to approve the minutes of the Regular Meeting of June 3, 2015. Roll call vote: Masciale-Yes; Kennedy-Yes; Lanuto-Yes; Nosti-Abstain; Knoeller-Yes. Motion passed.

**EXECUTIVE
DIRECTOR'S
REPORT**

Cash Balance Report - Period Ending May 31, 2015 - Mr. Woolf summarized the cash balances for period ending May 31, 2015 as follows: Total cash balance for the unrestricted accounts were \$7,235,834.69, with earnings of \$407.95. Total cash balance for the restricted accounts held by the trustee were \$5,710,845.81, with earnings of \$2,140.54. Current period interest on the restricted and unrestricted accounts was \$2,548.49. Year-to-date earnings on all interest bearing accounts were \$17,375.05.

Resolution 2015-42 – Authorize Increase of Bidding Threshold – On recommendation by the executive director, a motion was made by Mr. Kennedy and seconded by Mr. Nosti to adopt *Resolution 2015-42, Resolution of the Lacey Municipal*

Utilities Authority, County of Ocean, State of New Jersey, Authorizing Increase of Bidding Threshold from \$36,000 to \$40,000.. Roll call vote: Kennedy-Yes; Nosti-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Resolution 2015-43 – Amend 2015 Capital Budget – On recommendation by the executive director, a motion was made by Mr. Masciale and seconded by Mr. Kennedy to adopt *Resolution 2015-43, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Amending the 2015 Capital Budget*. Roll call vote: Masciale-Yes; Kennedy-Yes; Lanuto-Yes; Nosti-Yes; Knoeller-Yes. Motion passed. Mr. Woolf explained the amendment is for the FEMA generator contract. It was not included in the 2015 budget. He pointed out FEMA will reimburse the Authority the cost of the generators.

BUSINESS REPORT

The business report was submitted for review.

ENGINEER'S REPORT

Resolution 2015-41 – Final Sewer and Water Approval – Kirk Minor Subdivision – Mr. Dittenhofer stated his office received the application and plans for final sewer and water approvals for Kirk Minor Subdivision, Block 1241, Lots 13-19 & 26. The applicant is proposing to construct road improvements to Clair Road west of Argonne Avenue and build one (1) residential dwelling. The applicant proposes to install approximately 120 LF of 8" PVC water main and a hydrant along Clair Road and provide a water service for the dwelling. The applicant also proposes to construct approximately 130 LF of sanitary sewer main and a manhole along Clair Road and provide a sanitary lateral for the dwelling. On recommendation by the Authority's engineer, a motion was made by Mr. Kennedy and seconded by Mr. Masciale to adopt *Resolution 2015-41, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Final Sewer and Water Approval, Kirk Minor Subdivision, Block 1241, Lots 13-19 & 26*. Roll call vote: Kennedy-Yes; Masciale-Yes; Lanuto-Yes; Nosti-Yes; Knoeller-Yes. Motion passed.

Change Order No. 1 – Water Meter Installation Superstorm Sandy – HD Supply On recommendation by the Authority's engineer, a motion was made by Mr. Nosti and seconded by Mr. Lanuto to approve Change Order No. 1 representing as-built quantity adjustments and additional meter adaptors for a net contract increase of \$11,723.00. Roll call vote: Nosti-Yes; Lanuto-Yes; Kennedy-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Water Treatment Plant No. 1 Upgrades – Mr. Dittenhofer stated JCP&L work is complete. Contractor will conduct Well 8 start-up.

Meter Installation - Mr. Dittenhofer stated installation is 100% complete.

Cleaning & Televising Contract No. 8 – Mr. Dittenhofer stated this project is complete. Minor repair list has been generated, and punch list work has started.

Resolution 2015-40 – Rejecting all Bids for Electrical Upgrades to L-2, S-2 FRB-2, L-4 Pump Stations – On recommendation by the engineer, a motion was made by Mr. Masciale and seconded by Mr. Kennedy to adopt *Resolution 2015-40, Resolution of the*

Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Rejecting all Bids for the Electrical Upgrades to L-2, S-2, FRB-2, L-4 Pump Stations Project. Roll call vote: Masciale-Yes; Kennedy-Yes; Lanuto-Yes; Nosti-Yes; Knoeller-Yes. Motion passed. Mr. Dittenhofer explained the low bidder was almost half the price of the other two bidders. After examination of the bid, the low bidder submitted a substitution to the specification that was not acceptable. This project will be re-advertised.

Sea Breeze – Toll Brothers - Mr. Dittenhofer stated hydrant test was done on June 24th. We determined there are no issues with flow or pressure throughout the system within in the development. A report outlining the findings will be submitted to the Authority. Mr. Knoeller stated a copy of this report will also be forwarded to the Association for Toll Brothers.

ATTORNEY'S REPORT

Water Service Application – Former Nursing Home Site – Mr. Dasti stated his office has reviewed documents including Easements and Maintenance Agreements related to this project.

Bob's Square Deal Hardware - Mr. Dasti stated his office has reviewed and approved the proposed Easement Agreement.

Clearview Street – Mr. Dasti stated his office is in the process of preparing the Zoning Board application. He anticipates it being scheduled for the August meeting of the Zoning Board of Adjustment.

AUDITOR'S REPORT

Accountant's Status Report – Month Ended May 31, 2015 – Mr. Holman reported user charges resulted in a favorable variance for the month on both sewer and water. Delinquency charges had a year to date favorable variance for both water and sewer. Interest income had an unfavorable variance on both water and sewer, due to investments not performing as well as expected.

CORRESPONDENCE

Laura Palmer, Jones Road – Requesting relief of utility bill, due to leak in crawl space. Since the water from the leak did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Nosti to grant a credit adjustment on the sewer charges in the amount of \$1,804.68 (288,000 gallons). Roll call vote: Kennedy-Yes; Nosti-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Shmuel Bender, Nautilus Blvd. – Requesting relief of utility bill, due to broken pipe. Since the water from the leak did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Nosti to grant a credit adjustment on the sewer charges in the amount of \$1,107.74 (170,000 gallons). Roll call vote: Kennedy-Yes; Nosti-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Cav-Burt, 695 Challenger Way - Requesting relief of utility bill, due to broken pipe. Since the water from the leak did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Nosti to grant a credit adjustment on the sewer

charges in the amount of \$233.88 (50,000 gallons). Roll call vote: Kennedy-Yes; Nosti-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Cav-Burt, 697 Challenger Way - Requesting relief of utility bill, due to broken pipe. Since the water from the leak did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Nosti to grant a credit adjustment on the sewer charges in the amount of \$266.70 (45,000 gallons). Roll call vote: Kennedy-Yes; Nosti-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Allyson Cotton, Nautilus Blvd. - Requesting relief of utility bill, due to water meter leak. Mr. Knoeller explained this is an issue where a faulty meter was installed by Saks metering company. He recommends Mr. Woolf seek reimbursement from the company that installed the meter. Since the water from the leak did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Nosti to grant a credit adjustment on the sewer charges in the amount of \$86.22 (9,000 gallons). Roll call vote: Kennedy-Yes; Nosti-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Lauren Ciccone-Zawada, Edgemere Ave. - Requesting relief of utility bill, due to outside pipe leak. Since the water from the leak did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Nosti to grant a credit adjustment on the sewer charges in the amount of \$663.91 (127,000 gallons). Roll call vote: Kennedy-Yes; Nosti-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Danny Ponticello, Center Street – Requesting relief of utility bill, due to filling pool without pool fill meter. Based upon the available information, a waiver of the service charges could not be supported.

Richard Marshall, Capt. Giglio Way – Requesting relief of utility bill, due to filling pool without pool fill meter. Based upon the available information, a waiver of the service charges could not be supported

Mr. & Mrs. Rosado, Laurel Blvd. – Requesting payment plan. A motion was made by Mr. Kennedy and seconded by Mr. Nosti authorizing payment plan to pay utility bill. Roll call vote: Kennedy-Yes; Nosti-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes; Motion passed.

Howard Furbeck, Grebe Ct.- Requesting relief of utility bill, due to broken pipe. Since the water from the leak did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Nosti to grant a credit adjustment on the sewer charges in the amount of \$925.07 (146,000 gallons). Roll call vote: Kennedy-Yes; Nosti-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Mrs. Tsarnas – Mr. Tsarnas was present requesting relief of her utility bill for unexplained high water usage. She stated LMUA personnel checked for leaks in her home and there were none. Mr. Knoeller recommends the water meter be removed for testing, and waive the testing fee. A motion was made by Mr. Nosti and seconded by Mr. Masciale to waive the water meter testing fee. Roll call vote: Nosti-Yes; Masciale-Yes; Lanuto-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

**OLD
BUSINESS**

Resolution 2015-39 – Amendment to Resolution 2015-37 - Appoint CSI Computers as Authority Computer Consultant A motion was made by Mr. Kennedy and seconded by Mr. Nosti to adopt *Resolution 2015-39, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Amendment to Resolution 2015-37, Appointing CSI Computers as Authority Computer Consultant*. Roll call vote: Kennedy-Yes; Nosti-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Resolution 2015-38 – Easement Agreement – Mera Holdings – Secretary Kennedy executed Resolution 2015-38, accepting and authorizing execution of a permanent easement and right-of-way Agreement affecting Block 113, Lot 2, Lacey Township, New Jersey.

NEW BUSINESS

Mr. Knoeller asked Mr. Dittenhofer for the status on the marketing plan for the Authority to sell water. Mr. Dittenhofer stated a determination needs to be made first on what it costs to produce water. He and Mr. Woolf are in the process of making this determination. Mr. Woolf recommended installing a Variable Frequency Drive. This will allow the motor to run at less RPMs where there would be less electricity and flow used.

**PUBLIC BUSINESS/
COMMENT**

There was no public business/comment.

**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 \$278,828.95 be and the same are hereby approved to be paid.
2. Said vouchers are listed on the attached computer check register.

A motion was made by Mr. Masciale and seconded by Mr. Nosti to adopt the above resolution. Roll call vote: Masciale-Yes; Nosti-Yes; Lanuto-Yes; 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
Executive Secretary

