

**LACEY MUNICIPAL UTILITIES AUTHORITY  
REGULAR MEETING  
NOVEMBER 2, 2016**

Pledge of Allegiance

**ROLL CALL**

The Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, November 2, 2016 and was called to order at 6:30 p.m. by James Knoeller, Chairman. Other members present were Michael Masciale, Arthur Miklosey, Ralph Lanuto, and Paul DeNicola. Also present were Chris Dasti, attorney; Alan Dittenhofer, engineer; Jerry Conaty, auditor; Deborah Kramer, 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 October 5, 2016** - A motion was made by Mr. Miklosey and seconded by Mr. Masciale to approve the minutes of the Regular Meeting of October 5, 2016. Roll call vote: Miklosey-Yes; Masciale-Yes; DeNicola-Yes; Lanuto-Yes; Knoeller-Yes. Motion passed.

**Closed Session Meeting of October 5, 2016** - A motion was made by Mr. Miklosey and seconded by Mr. Masciale to approve the closed session minutes of the Regular Meeting of October 5, 2016. Roll call vote: Miklosey-Yes; Masciale-Yes; DeNicola-Yes; Lanuto-Yes; Knoeller-Yes. Motion passed.

**EXECUTIVE  
DIRECTOR'S  
REPORT**

**Cash Balance Report - Period Ending September 30, 2016** - Mr. Woolf summarized the cash balances for period ending September 30, 2016 as follows: Total cash balance for the unrestricted accounts were \$7,791,849.68 with earnings of \$2,407.88. Total cash balance for the restricted accounts held by the trustee were \$6,711,193.26, with earnings of \$2,727.97. Current period interest on the restricted and unrestricted accounts was \$5,155.85. Year-to-date earnings on all interest bearing accounts were \$51,883.50.

**Water Treatment Chemicals - 2017** – Mr. Woolf requested authorization to advertise and receive bids for water treatment chemicals for 2017. A motion was made by Mr. Miklosey and seconded by Mr. Lanuto authorizing the advertisement to receive bids for water treatment chemicals 2017. Roll call vote: Miklosey-Yes; Lanuto-Yes; DeNicola-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**Vehicle Donation – Board of Education** – The Board Tabled this matter.

**FEMA** – Mr. Woolf stated the Authority will be reimbursed \$670,000.00 for the water meter project, and approximately \$340,000.00 for the electrical upgrades and generator project.

**Resolution 2016-59 – Transfer of Funds – Sewer and Water Budget** – On recommendation by the executive director, a motion was made by Mr. Miklosey and seconded by Mr. Masciale to adopt *Resolution No. 2016-59, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Authorizing Transfer of Funds, 2016 Sewer and Water Budget*. Roll call vote: Miklosey-Yes; Masciale-Yes; DeNicola-Yes; Lanuto-Yes; Knoeller-Yes. Motion passed.

## **BUSINESS REPORT**

The business report was submitted for review.

## **ENGINEER'S REPORT**

**Resolution 2016-58 – Preliminary Sewer and Water Approval – Ridgemont Homes Harbor Run Major Subdivision** - Mr. Dittenhofer reported his office received the application and plans for preliminary sewer and water approval for Ridgemont Homes, Inc., Harbor Run Major Subdivision, Block 1724-1735, Various Lots. The applicant is proposing to construct a twenty-one (21) unit major subdivision along Heatherington Court, to the south of the presently improved portion of the roadway. The applicant proposes to connect to the existing water main at the end of Heatherington Court and extend approximately 1,200 LF of 8" PVC water main to service the units. The applicant also proposes to connect to an existing manhole at the end of Heatherington Court and extend approximately 1,086 LF of 8" PVC sewer main to service the units. On recommendation by the Authority's engineer, a motion was made by Mr. Miklosey and seconded by Mr. Masciale to adopt *Resolution No. 2016-58, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Preliminary Sewer and Water Approval, Ridgemont Homes, Inc., Harbor Run Major Subdivision, Blocks 1724-1735, Various Lots*. Roll call vote: Miklosey-Yes; Masciale-Yes; De Nicola-Yes; Lanuto-Yes; Knoeller-Yes. Motion passed.

**Bayonne Avenue Paving** – Mr. Dittenhofer stated the construction is ongoing. Project should be complete within the next two weeks.

## **ATTORNEY'S REPORT**

**530 Lacey Road, LLC** – Mr. Dasti stated his office is awaiting receipt of the Amended Developers Agreement to be executed by the Chairman.

**Calvin Street – Shared Services Agreement** – Mr. Dasti stated his office forwarded a letter to the Township Attorney in order to begin a dialog concerning the execution of a

Shared Services Agreement, which would eventually call for the Authority to be reimbursed for expenses incurred in installing water and sanitary sewer lines in the bed of Calvin Street. Mr. Knoeller stated administrative expenses were not included, therefore, further discussion is needed on the actual numbers to submit to the Township attorney for the drafting of the ordinance.

**Bayonne Avenue Drainage** – Mr. Dasti stated his office reviewed the Notice to Proceed and contract documents.

## AUDITOR'S REPORT

**Accountant's Status Report – Month Ended September 30, 2016** – Mr. Conaty reported both water and sewer revenues had a favorable variance for the month and year to date. Sewer and water expenses had a favorable variance for the month and year to date. Sewer user charges resulted in a favorable variance for the month, but an unfavorable variance on water.

## CORRESPONDENCE

**Joseph Micallef, Frog Hollow Road** – Requesting relief of utility bill, due to irrigation system leak. Since the basis of the leak was due to an irrigation system issue, a waiver of the service charges could not be supported. Customer will be offered a payment plan on balance due. Roll call vote: Masciale-Yes; Miklosey-Yes; DeNicola-Yes; Lanuto-Yes; Knoeller-Yes. Motion passed.

**James Chirelli, Buttonwood Drive** – Requesting relief of utility bill, due to irrigation system leak. Since the basis of the leak was due to an irrigation system issue, a waiver of the service charges could not be supported. Customer will be offered a payment plan on balance due. Roll call vote: Masciale-Yes; Miklosey-Yes; DeNicola-Yes; Lanuto-Yes; Knoeller-Yes. Motion passed.

**Jennifer Natoli, Falkenburgh Avenue** – Requesting relief of utility bill, due to irrigation system leak. Since the basis of the leak was due to an irrigation system issue, a waiver of the service charges could not be supported. Customer will be offered a payment plan on balance due. Roll call vote: Masciale-Yes; Miklosey-Yes; DeNicola-Yes; Lanuto-Yes; Knoeller-Yes. Motion passed.

**Rebecca Solomon, Clairmore Avenue** – Requesting relief of utility bill, due to leak in crawlspace. Since the water from the leak did not go into the sewer system, a motion was made by Mr. Miklosey and seconded by Mr. DeNicola to grant a credit adjustment on the sewer charges in the amount of \$172.78 (38,000 gallons). Roll call vote: Miklosey-Yes; DeNicola-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**John Fisher, Tiller Dr.** – Requesting relief of utility bill, due to pipe leak. Since the water from the leak did not go into the sewer system, a motion was made by Mr. Miklosey and seconded by Mr. Masciale to grant a credit adjustment on the sewer charges in the amount of \$186.70 (50,000 gallons). Roll call vote: Miklosey-Yes; Masciale-Yes; DeNicola-Yes; Lanuto-Yes; Knoeller-Yes. Motion passed.

**Mr. & Mrs. McDonald, Lake Barnegat Drive North** – Requesting relief of utility bill, due to high water usage. Mr. Knoeller recommended this issue be Tabled. He asked that the customer be contacted and asked to make a presentation at a meeting.

**Mr. & Mrs. Breen, Vaughn Ave.** – Mr. & Mrs. Breen were present to request relief of their utility bill, due to unexplained high usage. Mrs. Breen explained they had a new irrigation system installed last summer, and their utility bill was \$500.00 for those summer months. Because of this high bill, they had the irrigation contractor turn off half of the spouts. This summer, their bill doubled. The irrigation contractor checked for leaks and none were detected. They also had their meter tested, which tested accurate. She cannot understand how the utility bill doubled, since the usage was decreased by half. Mr. Woolf stated it is possible. He pointed out a meter read was done from September 1 to September 21, which shows normal read usage. This is an indication the high usage was from the sprinklers. Mr. Woolf recommended they get an irrigation meter in the future. A motion was made by Mr. Miklosey and seconded by Lanuto to grant a one-time credit adjustment on the sewer charges in the amount of \$347.13 (55,000 gallons). Roll call vote: Miklosey-Yes; Lanuto-Yes; DeNicola-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**OLD  
BUSINESS**

Mr. Miklosey asked about the status of the proposed apartments next door to the LMUA. Mr. Knoeller stated it has not gone before the Planning Board yet.

**Resolution 2016-56 – Approval of 2017 Sewer and Water Budget** – Vice Chairman Masciale executed Resolution 2015-56, approving the 2017 Sewer and Water Budget, which was approved at the October 5, 2016 meeting.

**Resolution 2016-56a– Submittal of 2017 Sewer and Water Budget** – Vice Chairman Masciale executed Resolution 2015-56a, submittal of the 2017 Sewer and Water Budget.

**NEW  
BUSINESS**

There was no new business to discuss.

**PUBLIC BUSINESS/  
COMMENT**

**Nickolas Spaltro, Dunberry Dr. (Sea Breeze at Lacey Development)** - Mr. Spaltro was present to again discuss the water pressure issue he and other residents are having in the Seabreeze/Toll Brothers development. He stated there is inadequate pressure to accommodate the bathroom, specifically his shower fixtures which requires 65 psi, irrigation, etc. No homeowner is above 50 psi. His pressure is 48 psi. Mr. Woolf stated this is an ongoing issue. In 2015 the Authority's engineer consulted with a company that specializes in flow testing of water mains and pressure testing. The report indicated that the static pressure on the main is 58 psi. Mr. Woolf explained there is great pressure and flow at the main. However, there is friction loss since the service entering the building is reduced due to the pipe being reduced. The mains in the street are 8-inches in diameter and the service to the house is 1-inch. Overall, it is an internal plumbing issue caused by pipe restriction causing flow and pressure issues in these homes.

Mr. Spaltro stated when Toll Brothers submitted their application and the engineering studies were done, the LMUA was obligated to determine if this there was adequate piping to accommodate 568 homes in the development. Mr. Dittenhofer stated during the application process, the applicant's engineer provides a signed and sealed engineer's report. His office reviewed the plans and inspected the project in accordance with State regulations. Mr. Woolf pointed out the State standard is 20 psi, therefore, the water pressure is above of what is required.

Mr. Knoeller stated the shower fixtures should not have been sold to begin with. If the fixtures require 68 psi to operate them and Toll Brothers knew they were starting with a 58 psi system, which is negligence on their behalf. They should have designed their plumbing system to meet 58 psi.

Mr. Spaltro stated as a customer he is paying the LMUA to deliver water, and he and others in the development are not getting the water they are paying for. The pressure delivery must be increased. Mr. Woolf stated there is no solution to the problem. The water system is a gravity system based on water tower elevations, and are at maximum pressure.

Mr. Spaltro asked was Toll Brothers required to sink extra wells for water when they submitted their application to the LMUA. Mr. Woolf stated they upgraded a portion of the water treatment plant. Mr. Spaltro asked if the water pressure was looked at. Mr. Woolf stated the pressure was looked at and it is adequate at 58 psi. Before the land was cleared the pressure was 58 psi. They designed that community around the elevation and the water tower. Toll Brothers knew they were getting 58 psi because their engineers studied it and did the calculations. It comes down to undersized plumbing on their end. Mr. Spaltro stated the homeowners has made warranty claims to Toll Brothers, and Toll Brothers are stated the LMUA is at fault.

**Regina Discenza, Sunset Drive** – In regards to the item that was Tabled (vehicle donation) Mrs. Discenza asked was the vehicle donation to or from the Board of Education. Mr. Woolf stated a request was received from the Board of Education.

**CLOSED  
SESSION**

## **RESOLUTION**

**WHEREAS**, Section 8 of the Open Public Meetings Act, Chapter 231, Public Law 1975 permits the exclusion of the public from a meeting in certain circumstances;

**WHEREAS**, this public body is of the opinion that such circumstances presently exist.

**NOW, THEREFORE, BE IT RESOLVED** by the Lacey Municipal Utilities Authority, County of Ocean and State of New Jersey as follows:

1. The public shall be excluded from discussion of action upon the hereinafter specified subject matters.
2. The general nature of this closed session concerns personnel matters.

3. It is anticipated at this time that the above-stated matters will be made public once these matters have been resolved.

4. This resolution shall take effect immediately.

A motion was made by Mr. Masciale and seconded by Mr. Miklosey to adopt the above resolution. Roll call vote: Unanimously approved.

Separate minutes were kept on the above closed session.

Mrs. Kramer and Ms. Kennedy were excused from this portion of the meeting.

**RE-OPEN  
MEETING**

A motion was made and seconded to return to open session. Motion unanimously carried.

**Edward Woolf** - A motion was made by Mr. Miklosey and seconded by Mr. Masciale authorizing a salary increase to \$120,000.00 per year to Edward Woolf, retroactive to July 1, 2016. Roll call vote: Miklosey-Yes; Masciale-Yes; DeNicola-Yes; Lanuto-Yes; Knoeller-Yes. Motion passed.

**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 \$1,053,056.40 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. Miklosey and seconded by Mr. Lanuto to adopt the above Resolution. Roll call vote: Miklosey-Yes; Lanuto-Yes; DeNicola-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**ADJOURNMENT**

There being no further business to discuss, the meeting was adjourned at 7: 25 p.m.

Respectfully submitted,

Michele Kennedy  
Executive Secretary

