

**LACEY MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
DECEMBER 6, 2017**

Pledge of Allegiance

ROLL CALL

The Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, December 6, 2017 and was called to order at 6:30 p.m. by James Knoeller, Chairman. Other members present were Michael Masciale, Jack Nosti, Arthur Miklosey, Ralph Lanuto, and Alan Baker. Also present were Chris Connors, attorney; Alan Dittenhofer, engineer; Brian Waldron, auditor; Deborah Kramer, office manager; and Edward A. Woolf, executive director.

**“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 November 1, 2017 - A motion was made by Mr. Miklosey and seconded by Mr. Masciale to approve the minutes of the Regular Meeting of November 1, 2017. Roll call vote: Miklosey-Yes; Masciale-Yes; Lanuto-Yes; Nosti-Yes; Knoeller-Yes. Motion passed.

**EXECUTIVE
DIRECTOR'S
REPORT**

Cash Balance Report - Period Ending October 31, 2017 - Mr. Woolf summarized the cash balances for period ending October 31, 2017 as follows: Total cash balance for the unrestricted accounts were \$10,478,986.08, with earnings of \$9,819.19. Total cash balance for the restricted accounts held by the trustee were \$4,442,188.97, with earnings of \$1,795.04. Current period interest on the restricted and unrestricted accounts was \$11,614.23. Year-to-date earnings on all interest bearing accounts were \$94,161.48.

Professional Services RFQ's – Mr. Woolf requested authorization to advertise and receive bids for Professional Services RFQ's for 2018. A motion was made by Mr. Miklosey and seconded by Mr. Nosti authorizing the advertisement to receive

Professional Services RFQ's for 2018. Roll call vote: Miklosey-Yes; Nosti-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Amend 2018 Budget – Mr. Woolf requested authorization to amend the 2018 water and sewer budgets by two-million dollars (\$2,000,000.00). He explained the money will be used for financing the new administration building. At the time the budget was prepared, the figure for the new building was undetermined. A motion was made by Mr. Masciale and seconded by Mr. Miklosey authorizing amending the 2018 budget by two-million dollars (\$2,000,000.00). Roll call vote: Masciale-Yes; Miklosey-Yes; Lanuto-Yes; Nosti-Yes; Knoeller-Yes. Motion passed.

Resolution 2017-62 – Appointing Authority Architect – On recommendation by the executive director, a motion was made by Mr. Miklosey and seconded by Mr. Nosti to adopt *Resolution 2017-62, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Lanuto Architecture, LLC as Authority Architect*. Roll call vote: Miklosey-Yes; Nosti-Yes; Lanuto-Abstain; Masciale-Yes; Knoeller-Yes. Motion passed.

Resolution 2017-61 – Award Contract – Watermain Extension – New Administration Building – On recommendation by the executive director, a motion was made by Mr. Miklosey and seconded by Mr. Nosti to adopt *Resolution 2017-61, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Awarding a Contract for the Watermain Extension Project for the New Administration Building*. Contract was awarded to SL Macintyre Underground, LLC in the amount of \$251,166.00. Roll call vote: Miklosey-Yes; Nosti-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Resolution 2017-66 – Line Item Transfers – On recommendation by the executive director, a motion was made by Mr. Masciale and seconded by Mr. Miklosey to adopt *Resolution 2017-66, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Authorizing Transfer of Funds, 2017 Sewer and Water Budgets*. Roll call vote: Masciale-Yes; Miklosey-Yes; Lanuto-Yes; Nosti-Yes; Knoeller-Yes. Motion passed.

BUSINESS REPORT

The business report was submitted for review.

ENGINEER'S REPORT

Resolution 2017-63 – Preliminary Sewer and Water Approval – Fresenius Kidney Care at Lacey Retail Center – COP Forked River, LLC – Mr. Dittenhofer reported his office received the application and plans for preliminary sewer and water approval for Fresenius Kidney Care at Lacey Retail Center, COP Forked River, LLC, Block 314.01, Lot 29.07. The applicant is proposing to construct an 8,040 SF medical office building on the western side of Route 9 adjacent to Sunrise Boulevard, in the Lacey Retail Center site. The applicant proposes to connect to previously installed water main on the site and loop 6" DIP water main with services to the building. On recommendation by the Authority's engineer, a motion was made by Mr. Miklosey and seconded by Mr. Masciale to adopt *Resolution No. 2017-63, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Preliminary Sewer and Water Approval, Fresenius Kidney Care at Lacey Retail Center, COP Forked River,*

LLC, Block 314.01, Lot 29.07. Roll call vote: Miklosey-Yes; Masciale-Yes; Lanuto-Yes; Nosti-Yes; Knoeller-Yes. Motion passed.

Resolution 2017-64 – Performance Guarantee Release – White Oaks at Lacey – On recommendation by the Authority’s engineer, a motion was made by Mr. Miklosey and seconded by Mr. Masciale to adopt *Resolution No. 2017-64, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Performance Guarantee Release – Sewer and Water – White Oaks at Lacey, Grove Street Cul-de-Sac, Blocks 1757-1764, Various Lots.* Roll call vote: Miklosey-Yes; Masciale-Yes; Lanuto-Yes; Nosti-Yes; Knoeller-Yes. Motion passed.

Change Order No. 1 - Fairview Lane Sanitary Improvements – On recommendation by the Authority’s engineer, a motion was made by Mr. Miklosey and seconded by Mr. Nosti approving Change Order No. 1 representing as-built quantity adjustments, additional sanitary work and water main relocations for a net contract increase of \$57,280.27. Roll call vote: Miklosey-Yes; Nosti-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

New Administration Building – Mr. Dittenhofer stated water extension plans, specifications and permits have been received. Building and site work plans and specifications have been completed. Bid opening is scheduled for end of December.

**ATTORNEY’S
REPORT**

Lease Agreement with Township of Lacey – Mr. Connors stated his office reviewed the proposed Lease Agreement with the Township. Documents have been drafted for execution by the Authority.

New Administration Building – Mr. Connors stated his office reviewed all correspondence adopted by the Township. His office intends to appear at the Planning Board hearing for the approval on December 11, 2017 at 7:00 p.m.

M & T at Lacey, LLC – Mr. Connors stated his office reviewed documentation provided by Remington & Vernick engineers including the facilities detail for the Lacey Town Village Complex.

**AUDITOR’S
REPORT**

Accountant’s Status Report – Month Ended October 31, 2017 – Mr. Waldron reported sewer revenues had an unfavorable variance for the month, but year-to-date favorable variance. Water 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 and water user charges had an unfavorable variance for the month.

Resolution 2017-60– Adopt 2018 Sewer and Water Budget – A motion was made by Mr. Nosti and seconded by Mr. Miklosey to adopt the 2018 sewer and water budget. Roll call vote: Nosti-Yes-; Miklosey-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

CORRESPONDENCE

Emeline Fishel, Hemlock Lane – Requesting relief of utility bill, due to underground pipe leak. Since the water from the leak did not go into the sewer system, a motion was made by Masciale and seconded by Mr. Miklosey to grant a credit adjustment on the sewer charges in the amount of \$473.23 (76,000 gallons). Roll call vote: Masciale-Yes; Miklosey-Yes; Lanuto-Yes; Nosti-Yes; Knoeller-Yes. Motion passed.

Forked River State Marina – Requesting relief of utility bill, due to underground pipe leak. Since the water from the leak did not go into the sewer system, a motion was made by Mr. Nosti and seconded by Mr. Miklosey granting a credit adjustment on the sewer charges in the amount of \$1,066.46 (133,000 gallons). Roll call vote: Nosti-Yes; Miklosey-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Lacey Car Wash – Requesting relief of utility bill, due to underground pipe leak. Since the water from the leak did not go into the sewer system, a motion was made by Mr. Nosti and seconded by Mr. Masciale to grant a credit adjustment on the sewer charges in the amount of \$3,697.20 (254,000 gallons). Roll call vote: Nosti-Yes; Masciale-Yes; Lanuto-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

Michele Malcolm, Windsor St. - Requesting relief of utility bill, due to high usage – filling pool. Since a pool fill meter was not used, an adjustment to the account could not be supported.

OLD BUSINESS

There was no old business to discuss.

NEW BUSINESS

There was no new business to discuss.

PUBLIC BUSINESS/ COMMENT

Nick Spaltro, Dunberry Drive (Sea Breeze at Lacey Development) – Mr. Spaltro and other residents living at the Toll Brothers development were present to again discuss the lack of water pressure issue they are having at the Seabreeze/Toll Brothers development. He stated there has been no improvement to the water pressure and is concerned that the pressure will deteriorate with new homes being built.

There was a considerable discussion on who is responsible for the lack of water pressure to the homes. Mr. Woolf stressed there is adequate water pressure to the development and well within compliance. He stated Toll Brothers designed the engineering with full knowledge of what they were getting supplied with. The Authority's approval goes as far as the curb and anything after that is considered part of household plumbing, which is the issue. Mr. Spaltro stated Toll Brothers is holding the Authority accountable for the lack of pressure. Mr. Woolf disagreed and read a paragraph out of the flow test that was performed in 2015 at 67 Arborridge Drive. The closing statement is ...”the testing results for this portion of the water distribution system based on the readings is designated as a class AA which is the highest reading achievable”. This is from the national fire protection association, which indicates there is not a problem with the water mains. It is a problem with flow restriction in the house.

Mr. Woolf recommended Mr. Spaltro contact NJDEP on what the proper water pressure is for the site. If NJDEP has a problem with the pressure being supplied they will contact the Authority

In conclusion Mr. Knoeller stated Toll Brothers never contacted the Authority or the Authority's engineer regarding water pressure issues. Mr. Spaltro stated a meeting will be held with executives from Toll Brothers to discuss this issue further.

Mr. Spaltro stated there have been billing issues when using the on-line bill payment service to pay utility bills. He explained since the LMUA does not accept electronic payments, late charges are being applied to their utility bill. Mr. Knoeller stated software will be updated once the new administration building is complete. A letter requesting waiver of the late fees will be honored.

Mr. Spaltro asked how the new administration building will be funded. Mr. Knoeller stated there is money in reserve for up-front costs and the Authority will apply for a short-term note to put back in reserve and pay it off with bond refunding.

**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. Miklosey and seconded by Mr. Masciale to adopt the above resolution. Roll call vote: Unanimously approved.

Separate minutes were kept on the above closed session.

**RE-OPEN
MEETING**

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

**OTHER
BUSINESS**

A motion was made by Mr. Miklosey and seconded by Mr. Masciale authorizing a salary increase of \$5,000.00 to Nicole Kelley effective December 6, 2017. Roll call vote: Miklosey-Yes; Masciale-Yes; Lanuto-Yes; Nosti-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 \$314,536.98 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; Nosti-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