

**LACEY MUNICIPAL UTILITIES AUTHORITY
REORGANIZATION AND REGULAR MEETING
FEBRUARY 4, 2015**

Pledge of Allegiance

ROLL CALL

The Reorganization and Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, February 4, 2015 and was called to order at 7:00 p.m. by James Knoeller, Chairman. Other members present were Michael Masciale, Richard Kennedy, Arthur Miklosey, Jack Nosti, Ralph Lanuto, and Paul DeNicola. Also present were Jerry Dasti, attorney; Jerry Conaty, auditor; Felipe Contreras, engineer; Deborah Busch, office manager, and Edward A. Woolf, Executive Director. Steve Kennis, 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.

REORGANIZATION

Chairman – A motion was made by Mr. Masciale and seconded by Mr. Kennedy to appoint James Knoeller as Authority Chairman. Roll call vote: Masciale-Yes; Kennedy-Yes; Nosti-Yes; Miklosey-Yes; Knoeller-Abstain. Motion passed.

Vice Chairman – A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to appoint Michael Masciale as Authority Vice Chairman. Roll call vote: Kennedy-Yes; Miklosey-Yes; Nosti-Yes; Masciale-Abstain; Knoeller-Yes. Motion passed.

Secretary – A motion was made by Mr. Masciale and seconded by Mr. Miklosey to appoint Richard Kennedy as Authority Secretary. Roll call vote: Masciale-Yes; Miklosey-Yes; Nosti-Yes; Kennedy-Abstain; Knoeller-Yes. Motion passed.

Treasurer – A motion was made by Mr. Kennedy and seconded by Mr. Masciale to appoint Arthur Miklosey as Authority Treasurer. Roll call vote: Kennedy-Yes; Masciale-Yes; Nosti-Yes; Miklosey-Abstain; Knoeller-Yes. Motion passed.

**COMMITTEE
APPOINTMENTS**

Mr. Knoeller stated the Committee Appointments would be discussed at the next meeting.

RESOLUTION NO. 2015-11 - AUTHORIZE REGULAR MEETING SCHEDULE

A motion was made by Mr. Kennedy and seconded by Mr. Masciale to adopt *Resolution No. 2015-11, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Authorizing Regular Meeting Schedule*. Roll call vote: Kennedy-Yes; Masciale-Yes; Nosti-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

**PROFESSIONAL
APPOINTMENTS**

Mr. Woolf stated the administrative staff of the Authority received and reviewed the submissions of qualifications for professional service contracts. The Fair and Open process was utilized in determining the most qualified professionals; therefore, he recommends the following professionals be appointed to the Lacey Municipal Utilities Authority.

RESOLUTION NO. 2015-12 - APPOINT ENGINEER - REMINGTON, VERNICK AND VENA ENGINEERS

- A motion was made by Mr. Nosti and seconded by Mr. Kennedy to adopt *Resolution No. 2015-12, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing the Firm Remington, Vernick and Vena Engineers as Authority Consulting Engineers*. Appointment is contingent upon revision of their hourly rates. Roll call vote: Nosti-Yes; Kennedy-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

RESOLUTION NO. 2015-13 – APPOINT ATTORNEY – JERRY J. DASTI OF THE FIRM DASTI, MURPHY, McGUCKIN, ULAKY, KOUTSOURIS & CONNORS, P.C.

– A motion was made by Mr. Kennedy and seconded by Mr. Masciale to adopt *Resolution No. 2015-13, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Jerry J. Dasti of the Firm Dasti, Murphy, McGuckin, Ulaky, Koutsouris & Connors as Authority Attorney*. Roll call vote: Kennedy-Yes; Masciale-Yes; Nosti-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

RESOLUTION NO. 2015-14 – APPOINT AUDITOR – FRANK B. HOLMAN OF THE FIRM HOLMAN, FRENIA & ALLISON, PC

– A motion was made by Mr. Nosti and seconded by Mr. Kennedy to adopt *Resolution No. 2015-14, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Frank B. Holman, III, of the Firm Holman, Frenia, & Allison P.C as Authority Auditor*. Roll call vote: Nosti-Yes; Kennedy-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

RESOLUTION NO. 2015-15 – APPOINT CONFLICT ATTORNEY – RICHARD D. MEINDERS, P.C.

– A motion was made by Mr. Kennedy and seconded by Mr. Nosti to adopt *Resolution No. 2015-15, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Richard D. Meinders, P.C. as Authority Conflict Attorney*. Roll call vote: Kennedy-Yes; Nosti-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

RESOLUTION NO. 2015-16 – APPOINT LABOR COUNSEL – JERRY J. DASTI OF THE FIRM DASTI, MURPHY, ULAKY, KOUTSOURIS & CONNORS – A motion was made by Mr. Masciale and seconded by Mr. Nosti to adopt *Resolution No. 2015-16, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Jerry J. Dasti, Esq. of the firm Dasti, Murphy, McGuckin, Ulaky, Koutsouris & Connors, P.C. as Authority Labor Counsel.* Roll call vote: Masciale-Yes; Nosti-Yes; Miklosey-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

RESOLUTION NO. 2015-17 – APPOINT RISK MANAGEMENT CONSULTANT CONNOR STRONG COMPANIES, INC. – A motion was made by Mr. Kennedy and seconded by Mr. Nosti to adopt *Resolution No. 2015-17, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Connor Strong Companies, Inc. as Authority Risk Management Consultant.* Roll call vote: Kennedy-Yes; Nosti-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed

RESOLUTION NO. 2015-18 – APPOINT PUBLIC AGENCY COMPLIANCE OFFICER – EDWARD A. WOOLF - A motion was made by Mr. Masciale and seconded by Mr. Kennedy to adopt *Resolution No. 2015-18, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Edward A. Woolf as Public Agency Compliance Officer, P.L. 1975, c. 127.* Roll call vote: Masciale-Yes-; Kennedy-Yes; Nosti-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

RESOLUTION NO. 2015-19 – APPOINT PERSONNEL OFFICER – EDWARD A. WOOLF – A motion was made by Mr. Kennedy and seconded by Mr. Nosti to adopt *Resolution No. 2015-19, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Edward A. Woolf as Personnel Officer.* Roll call vote: Kennedy-Yes; Nosti-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

RESOLUTION NO. 2015-20 – APPOINT FUND COMMISSIONERS AND ALTERNATE FUND COMMISSIONER TO THE NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND – A motion was made by Mr. Nosti and seconded by Mr. Kennedy to adopt *Resolution No. 2015-20, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Fund Commissioners and Alternate Fund Commissioner for the New Jersey Utilities Authorities Joint Insurance Fund.* Roll call vote: Nosti-Yes; Kennedy-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

RESOLUTION NO. 2015-21 – APPOINT COMPANY PHYSICIAN – FORKED RIVER MEDICAL SPECIALISTS, P.A. – A motion was made by Mr. Nosti and seconded by Mr. Masciale to adopt *Resolution No. 2015-21, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Appointing Forked River Medical Specialists, P.A. as Company Physician.* Roll call vote: Nosti-Yes; Masciale-Yes; Miklosey-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Mr. Woolf Tabled the appointment of computer consultant

**APPROVAL
OF MINUTES**

Regular Meeting of January 7, 2015 - A motion was made by Mr. Masciale and seconded by Mr. Miklosey to approve the minutes of the Regular Meeting of January 7,

2015. Roll call vote: Masciale-Yes; Miklosey-Yes; Nosti-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Closed Session Meeting of January 7, 2015 - A motion was made by Mr. Miklosey and seconded by Mr. Kennedy to approve the minutes of the Closed Session Meeting of January 7, 2015. Roll call vote: Miklosey-Yes; Kennedy-Yes; Nosti-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

EXECUTIVE DIRECTOR'S REPORT

Cash Balance Report - Period Ending December 31, 2014 - Mr. Woolf summarized the cash balances for period ending December 31, 2014 as follows: Total cash balance for the unrestricted accounts were \$7,349,404.37, with earnings of \$239.16. Total cash balance for the restricted accounts held by the trustee were \$3,523,487.66, with earnings of \$1,651.23. Current period interest on the restricted and unrestricted accounts was \$1,890.39. Year-to-date earnings on all interest bearing accounts were \$26,079.12.

Resolution 2015-06 – Award Contract for Supply of Water Treatment Chemical Supplies for 2015 - On recommendation by the executive director, a motion was made by Mr. Miklosey and seconded by Mr. Kennedy to adopt *Resolution 2015-06, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Awarding Contract for Supply of Water Treatment Chemical Supplies for 2015*. Roll call vote: Miklosey-Yes; Kennedy-Yes; Nosti-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

BUSINESS REPORT

The business report was submitted for review.

ENGINEER'S REPORT

Resolution 2015-09 – Preliminary Sewer and Water Approval – Kirk Minor Subdivision, Block 1241, Lots 13-19 & 26 – Mr. Dittenhofer stated his office received the application and plans for preliminary sewer and water approval 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 6” PVC water main 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. Nosti and seconded by Mr. Masciale to adopt *Resolution 2015-09, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Preliminary Sewer and Water Approval, Kirk Minor Subdivision, Block 1241, Lots 13-19 & 26*. Roll call vote: Nosti-Yes; Masciale-Yes; Miklosey-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Resolution 2015-10– Preliminary Sewer and Water Approval – Sarama Homes Minor Subdivision, Block 1554, Lots 1-6 & 46-50 – Mr. Dittenhofer stated his office received the application and plans for preliminary sewer and water approval for Sarama Homes Minor Subdivision, Block 1554, Lots 1-6 & 46-50. The applicant is proposing to construct a three (3) lot minor subdivision on the south side of Elwood Street, between Arlington Avenue and Kearny Avenue. The applicant proposes to service each of the

proposed dwellings with an individual water service and sanitary lateral. On recommendation by the Authority's engineer, a motion was made by Mr. Nosti and seconded by Mr. Miklosey to adopt *Resolution 2015-10, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Preliminary Sewer and Water Approval, Sarama Homes Minor Subdivision, Block 1554, Lots 1-6 & 46-50*. Roll call vote: Nosti-Yes; Miklosey-Yes; Kennedy-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Water Treatment Plant No. 1 Upgrades – Mr. Contreras stated pole locations were selected. Installation is currently waiting for supplies and coordination with the contractor for the underground section along the center street. Mr. Knoeller asked Mr. Dasti to send the contractor a letter informing them the delay of this project is unacceptable.

Meter Installation - Mr. Contreras stated this project is ongoing. First installation reports and online access were submitted. A progress meeting is scheduled for February 11th.

Cleaning & Televising Contract No. 8 – Preconstruction meeting was held two weeks ago.

HMPG Purchasing and skid mounted generator and site improvements at four (4) pump stations – Mr. Contreras stated a kick-off meeting for this project was held January 13th. His office applied for four (4) portable generators for four (4) pump stations. The Grant agreement was signed and the project is currently under design. The total amount of the project is \$400,000.00. Mr. Woolf stated the grant would cover 90% of this project.

ATTORNEY'S REPORT

Planning Board Compliance Issue – Mr. Dasti stated all compliance issues have been resolved.

General Matters – Mr. Dasti stated he forwarded to the Authority a copy of the recent legislation which extends the Permit Extension Act through December 31, 2015. Therefore, all prior approvals will remain in full force and effect.

Water Treatment Chemical Supplies – Mr. Dasti stated he has reviewed the bid documents and prepared a Resolution for the Authority's approval.

Sarama Homes – Mr. Dasti stated he has reviewed the letter of recommendation from RV&V regarding Preliminary sewer and water application.

Kirk Minor Subdivision - Mr. Dasti stated he has reviewed the letter of recommendation from RV&V regarding Preliminary sewer and water application.

Teamsters Local 97 – Mr. Dasti stated he is in the process of discussing a personnel matter with representative of the Teamsters. Would like to have further discussion in closed session.

**AUDITOR'S
REPORT**

Accountant's Status Report – Month Ended December 31, 2014 – Mr. Conaty reported user charges for sewer and water resulted in an unfavorable variance for the month. Delinquency charges had a favorable variance on both water and sewer. Interest income had an unfavorable variance due to investments not performing as well as expected. Sewer revenues were favorable for the year. The audit is scheduled for March 9th.

Mr. Knoeller asked if the financial advisor is scheduled to attend a board meeting. Mr. Woolf stated he will ask them to attend the April board meeting. In the meantime, a finance committee meeting will be scheduled for March.

CORRESPONDENCE

Harold Peters, Clairemore Ave – Requesting relief of utility bill, due 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. Miklosey to grant a credit adjustment on the sewer charges in the amount of \$42.48 (15,000 gallons). Roll call vote: Kennedy-Yes; Miklosey-Yes; Nosti-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Michelle Keats, F Street – Requesting relief of utility bill, due to irrigation use without meter. After consideration of this request, a motion was made by Mr. Kennedy and seconded by Mr. Masciale to grant a one-time credit adjustment on the sewer charges in the amount of \$620.98 (99,000 gallons). No further credit will be given for irrigation use. Roll call vote: Kennedy-Yes; Masciale-Yes; Nosti-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

Danielle Scevola, Ernest Drive - Requesting relief of utility bill, due to outside faucet 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. Miklosey to grant a credit adjustment on the sewer charges in the amount of \$69.88 (22,000 gallons). Roll call vote: Kennedy-Yes; Miklosey-Yes; Nosti-Yes; Masciale-Yes; Knoeller-Yes. Motion passed

Mr. & Mrs. Meyer, Laurel Blvd. - 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. Masciale to grant a credit adjustment on the sewer charges in the amount of \$596.12 (95,000 gallons). Roll call vote: Kennedy-Yes; Masciale-Yes; Nosti-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed

Robert Cabany, E. Lacey Road - Requesting relief of utility bill, due to toilet leak. Based upon the available information a waiver of the service charges could not be supported.

**OLD
BUSINESS**

Resolution 2015-08 – Memorialize Action Taken January 7, 2015 – Salary Increase for Non-Union, Non-Contract Employees - Secretary Kennedy executed Resolution 2015-08 memorializing action taken on January 7, 2015, establishing salary increases for non-union, non-contract employees of the Lacey Municipal Utilities Authority.

Resolution 2015-07 – Amending Resolution 2014-54, Award Contract for Cleaning and Televising Contract No. 8 - Secretary Kennedy executed Resolution 2015-07

amending Resolution 2014-54, awarding contract for cleaning and televising sanitary sewer contract No. 8.

**NEW
BUSINESS**

Tax Lien Sale - Mr. Knoeller stated the tax lien sale was held on January 16th. Historically, the Authority would get a check from the Township one week after the sale. As of this date, the Township has not issued a check. Mr. Knoeller asked Mr. Kennis to follow-up on when the Authority could expect the check.

**PUBLIC BUSINESS/
COMMENT**

Allison Lemke – Ms. Lemke asked if wells No. 7 & 8 are in a confined aquifer, and how many gallons per minute (gpm) capacity for each well. Mr. Knoeller stated the wells are in a confined aquifer at 1500 gpm per each well. Ms. Lemke asked if those wells are operational. Mr. Knoeller stated well No. 7 is operational. Well No. 8 has been tested but is not operational. Once the electric is complete will become operational.

Ms. Lemke asked how much did those wells cost. Mr. Knoeller stated the total project was about approximately \$2.6 million dollars. Ms. Lemke asked if Wells 3, 4 & 5 will be on standby after the new wells go on-line. Mr. Woolf stated they will be on stand-by in the winter months.

Ms. Lemke asked what happened to wells 1 & 2. Mr. Woolf stated they are still in service, however, the water quality for well No. 1 has a high iron content, which has been put out of service years ago. Well No. 2 has excellent water quality, however the capacity is only 500 gpm. Well No. 2 will be continued to be used as a standby well. Brookdale wells No. 1 & 2 have been decommissioned, and are in the process of decommissioning the water treatment plant as well.

Ms. Lemke stated the original public notice for the funding of wells 7 & 8 indicated they were going to be paid by a grant. She asked if that grant was ever used. Mr. Woolf stated the wells were paid for in cash, and additional money was financed to expand the water treatment plant. Mr. Knoeller pointed out the Authority applied for a grant but was high on the approval list, therefore, the LMUA was not a priority. Ms. Lemke reiterated that the public notice stated the wells would be paid for by a grant. Mr. Dasti stated that is not correct. The public notice indicated the Authority had to have a hearing as part of the grant process. Ms. Lemke stated she disagrees.

**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 \$224,712.44 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. Miklosey to adopt the above resolution. Roll call vote: Masciale-Yes; Miklosey-Yes; Nosti-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

**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 contractual and 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. Nosti and seconded by Mr. Kennedy 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**

RV&V Rates - A motion was made by Mr. Nosti and seconded by Mr. Kennedy authorizing a 15% increase on 2014 rates for authority's engineer, Remington, Vernick & Vena Engineers for 2015. Roll call vote: Nosti-Yes; Kennedy-Yes; Miklosey-No; Masciale-Yes; Knoeller-Yes. Motion passed.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 7:45 p.m.

Respectfully submitted,

Michele Kennedy
Executive Secretary

