

**LACEY MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
JUNE 1, 2016**

Pledge of Allegiance

ROLL CALL

The Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, June 1, 2016 and was called to order at 6:30 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 Robert Ulaky, attorney; Joe Santorelli, engineer; Frank Holman, 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 May 4, 2016 - A motion was made by Mr. Miklosey and seconded by Mr. Kennedy to approve the minutes of the Regular Meeting of May 4, 2016. Roll call vote: Miklosey-Yes; Kennedy-Yes; Nosti-Abstain; Masciale-Yes; Knoeller-Yes. Motion passed.

**EXECUTIVE
DIRECTOR'S
REPORT**

Cash Balance Report - Period Ending April 30, 2016 - Mr. Woolf summarized the cash balances for period ending April 30, 2016 as follows: Total cash balance for the unrestricted accounts were \$8,100,263.81, with earnings of \$3,494.06. Total cash balance for the restricted accounts held by the trustee were \$5,589,381.90, with earnings of \$1,564.60. Current period interest on the restricted and unrestricted accounts was \$5,058.66. Year-to-date earnings on all interest bearing accounts were \$19,969.58.

Resolution 2016-30 – Accepting and Approving 2015 Audit – On recommendation by the executive director, a motion was made by Mr. Miklosey and seconded by Mr. Kennedy to adopt *Resolution No. 2016-30, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Ending Fiscal Year December 31,*

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

Resolution 2016-29 – Award Contract – Bayonne Avenue Drainage and Roadway Construction – Mr. Knoeller asked if the drainage issue was resolved. Mr. Woolf stated since the contract is ready to be awarded, the drainage would be part of a change order. Mr. Dittenhofer will be providing the Authority with a cost estimate. Mr. Knoeller recommended Tabling the Resolution until a cost estimate is given.

Resolution 2016-32 – Purchase Backhoe Loader – On recommendation by the executive director, a motion was made by Mr. Miklosey and seconded by Mr. Masciale to adopt *Resolution No. 2016-32, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Purchase of a 310SL HL Backhoe Loader through Educational Services Commission of New Jersey* in the amount of \$116,125.00. Roll call vote: Miklosey-Yes; Masciale-Yes; Nosti-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

530/536 Lacey Road Hardship Waiver – Mr. Woolf stated the applicant is requesting a Hardship Waiver for the abandonment of the existing water service lateral for their project. The applicant's engineer explained that due to the location of the existing water connection within Lacey Road, it would appear as though removing the existing service from the main will cause conflict with the current traffic patterns on the highly traveled County road. The applicant is proposing to cap and abandon the existing water service at the curb stop valve in order to limit the disturbance of Lacey Road. Mr. Knoeller asked Mr. Woolf to discuss this request with the applicant's engineer, and make a decision on behalf of the Authority.

School Water Testing - Mr. Woolf reported that the Township Board of Education was required to sample all the schools for lead in the drinking water. Fifty-three water samples were taken from six schools and all of the results were in compliance.

BUSINESS REPORT

The business report was submitted for review.

ENGINEER'S REPORT

Resolution 2016-31 – Preliminary Sewer and Water Approval – 107 North Main Street, LLC – Mr. Knoeller stated he is concerned that the applicant is not required to put in a sprinkler system, since this will be a commercial use store and apartments. This is a safety issue and he asked Mr. Juliano to bring this to the attention of the Planning Board for them to revisit the requirements. On recommendation by the Authority's engineer, a motion was made by Mr. Masciale and seconded by Mr. Miklosey to adopt *Resolution No. 2016-31, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Permit to Operate, Water & Sewer Systems, Performance Guarantee Reduction, White Preliminary Sewer and Water Approval, 107 North Main Street, LLC, Block 315, Lot 1.01*. This approval is contingent upon disclosure of the Township regarding the sprinkler system. Roll call vote: Masciale-Yes; Miklosey-Yes; Nosti-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

HMPG Generators – Mr. Santorelli stated this project is complete. Final payment and performance bond release is recommended for this project.

Water Treatment Plant No. 1 Upgrades – Mr. Santorelli stated Well No. 8 startup is complete. Minor punch list items are outstanding.

Bee Street Water and Sewer Extension - Mr. Santorelli stated permit applications have been submitted to NJDEP.

Center Street Water and Sewer Extension – Mr. Santorelli stated permit applications have been submitted to NJDEP.

Bayonne Avenue Paving – Mr. Santorelli stated bid opening was held April 28th. His office recommends awarding to the low bidder, Johnson Baran Corporation, in amount of \$43,511.70.

ATTORNEY'S REPORT

530 Lacey Road, LLC – Mr. Dasti stated his office prepared the Developer's Agreement, which has been forwarded to the applicant's attorney for developer execution.

Bayonne Avenue Drainage – Mr. Dasti stated his office reviewed the bids submitted by the various contractors.

AUDITOR'S REPORT

Accountant's Status Report – Month Ended March 31, 2016 – Mr. Holman reported sewer and water revenues had a favorable variance for the month and year to date. Both sewer and water expenses had a favorable variance for the month. User charges on both water and sewer had an unfavorable variance, which was derived from projections using three years of historical data. The Authority can anticipate an OCUA credit of \$29,821 through the month of April.

CORRESPONDENCE

Robert Buglioli, Hollywood Blvd. South – Requesting relief of utility bill, due to water leak under house. 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 \$120.84 (38,000 gallons). Roll call vote: Kennedy-Yes; Masciale-Yes; Nosti-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

John Bellas, Kanoche Drive – 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. Kennedy and seconded by Mr. Miklosey to grant a credit adjustment on the sewer charges in the amount of \$177.64 (48,000 gallons). Roll call vote: Kennedy-Yes; Miklosey-Yes; Nosti-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Mary Margraff, Clairmore Ave. – Requesting relief of utility bill, due to toilet leak. Since the basis of the excessive usage was due to a toilet issue, a waiver of the service charges could not be supported.

Nicole Fell, Lawrence Dr. -- Requesting relief of utility bill, due to leak under slab. 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 \$670.61 (110,000 gallons). Roll call vote: Kennedy-Yes; Masciale-Yes; Nosti-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

**OLD
BUSINESS**

There was no old business to discuss.

**NEW
BUSINESS**

Bayonne Avenue Fencing - Mr. Miklosey stated he reviewed the voucher for Bayonne Avenue where fencing was installed for \$4,000.00. He asked why was only one bid received and why use a company from Toms River and not locally. Additionally, he recommended reducing the amount for administrative requisition approvals from \$6,000.00 to \$3,000.00.

Mr. Woolf stated he approves all requisitions. In this particular case he and the Chairman agreed that it was important that the high voltage cabinet near the well house be fenced in immediately, therefore, he did not obtain other quotes on this particular project. Typically, he requires more than one quote for anything over \$2,000-\$3,000. In regards to the fencing company, Mr. Woolf explained he went with one of the larger fencing companies that he knew would get the job done in a timely manner.

Mr. Knoeller stated the requisition approval will remain at \$6,000.00. He instructed Mr. Woolf to obtain additional bids in the future if not an emergency.

**PUBLIC BUSINESS/
COMMENT**

Rich Nowak, Bee Way- Mr. Nowak was present to discuss the sewer and water lines that will be installed on Bee Way. He stated he and others on Bee Way are on a septic system and asked why is it necessary to be connected to city water and sewer. Mr. Knoeller stated the individual who purchased the vacant lot on Bee Way is unable to get a permit to build on that lot unless there are water and sewer lines run.

Mr. Nowak stated he is concerned about the cost to hook up to the utilities. Mr. Knoeller stated a payment plan is available for those customers that need additional time to pay. Also, customers have up to six months to connect.

Mr. Nowak asked who made the decision to run the lines down the street and who is paying for it. Mr. Knoeller stated it was a LMUA decision. Mr. Nowak stated according to the Authority's rules and regulations, it is up to the lot owner to pay to run the lines. The person who purchased the lot said they would do all the labor in exchange for paying the connection fee. The Board rejected this request and went out for bids.

Mr. Woolf stated the Authority received a bid from a contractor to install the lines and the offset was if the connection fees from the five homes would offset the construction cost. The idea is to remove the septic tanks and provide safe drinking water. He stated city water has been put in throughout the town and everyone is required to connect to it. Bee Way was developed before there was an ordinance requiring the builder to put in the water and sewer line. Shortly thereafter, the Township passed an ordinance requiring all

utilities be installed in any improved roadway. Mr. Knoeller added it is the Authority's intent to have as much water and sewer service to every available lot in town.

**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:

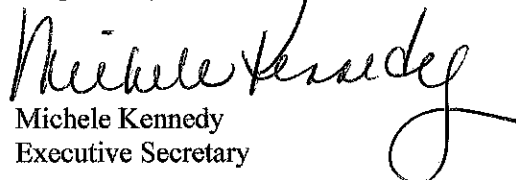
1. Said vouchers in the sum of \$1,003,417.76 be and the same are hereby approved to be paid.
2. Said vouchers are listed on the attached computer check register.

A motion was made by Mr. Miklosey and seconded by Mr. Kennedy to adopt the above resolution. Roll call vote: Miklosey-Yes; Kennedy-Yes; Nosti-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 7:15 p.m.

Respectfully submitted,


Michele Kennedy
Executive Secretary