

**LACEY MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
AUGUST 2, 2017**

Pledge of Allegiance

ROLL CALL

The Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, August 2, 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, Alan Baker and Paul DeNicola. Also present were Jerry Dasti, attorney; Alan Dittenhofer, 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 July 5, 2017 - A motion was made by Mr. Masciale and seconded by Mr. Nosti to approve the minutes of the Regular Meeting of July 5, 2017. Roll call vote: Masciale-Yes; Nosti-Yes; Lanuto-Yes; Miklosey-Abstain; Knoeller-Yes. Motion passed.

**EXECUTIVE
DIRECTOR’S
REPORT**

Cash Balance Report - Period Ending June 30, 2017- Mr. Woolf summarized the cash balances for period ending June 30, 2017 as follows: Total cash balance for the unrestricted accounts were \$9,226,132.51, with earnings of \$10,280.12. Total cash balance for the restricted accounts held by the trustee were \$5,689,908.54, with earnings of \$3,065.88. Current period interest on the restricted and unrestricted accounts was \$13,346.00. Year-to-date earnings on all interest bearing accounts were \$52,546.34.

OCUA Charges – Mr. Woolf stated the 2017 OCUA charges was omitted from the auditor’s report. He reported as of June 30, 2017 the authority was \$4.438 million gallons above the estimate resulting being over budget by \$17,228.

Resolution 2017-41 – Refunding of Bonds (Series 2017) - On recommendation by the executive director, a motion was made by Mr. Nosti and seconded by Mr. Lanuto to adopt *Resolution 2017-41, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Supplemental Resolution No. 12 Providing for the Issuance and Sale and Determining Certain Details for the Water Revenue Refunding Bonds (Series 2017) of Lacey Municipal Utilities Authority*. Roll call vote: Nosti-Yes; Lanuto-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Vehicle and Equipment Auction – Mr. Woolf requested authorization to auction a 1998 Dodge Ram 2500 w/plow pick-up truck; 1996 Jeep Cherokee; 1989 Ford Backhoe; Miller Asphalt Roller; and Onan 150KW Generator w/Automatic Transfer Switch. A motion was made by Mr. Miklosey and seconded by Mr. Nosti authorizing the auctioning of vehicles and equipment through GovDeals. Roll call vote: Miklosey-Yes; Nosti-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

BUSINESS REPORT

The business report was submitted for review.

ENGINEER'S REPORT

Resolution 2017-43 – Permit to Operate – Sewer and Water System – Sea Breeze at Lacey – Section 2, Phase 2E – Mr. Dittenhofer reported the water and sewer system for Phase 2E has successfully passed the testing requirements, and all construction items are complete. Therefore, his office recommends a Permit to Operate the sewer and water system as outlined in their July 26, 2017 letter. A motion was made by Mr. Miklosey and seconded by Mr. Nosti to adopt *Resolution 2017-43, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Permit to Operate Sewer and Water System, Sea Breeze at Lacey, Section 2, Phase 2E, Ambermist Way, Holbrooke Drive & Marque Street, Blocks 1901.17, 1901.18, 1901.26, Various Lots*. Roll call vote: Miklosey-Yes; Nosti-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Resolution 2017-42 – Preliminary Sewer and Water Approval – Route 9 Restaurants, Inc. – Mr. Dittenhofer reported his office received the application and plans for preliminary sewer and water approval for Route 9 Restaurants, Inc., Block 225, Lot 2.01. The applicant is proposing to construct a restaurant with an associated 3,300 SF pavilion along the northern side of Taylor Lane, west of Route 9. The applicant proposes to connect to the existing water main along Taylor Lane and install a water service for the building. The applicant also proposes to connect to the existing sewer main located in the right-of-way of Route 9 and install a sanitary lateral for the building. On recommendation by the Authority's engineer, a motion was made by Mr. Nosti and seconded by Mr. Miklosey to adopt *Resolution No. 2017-42, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Preliminary Sewer and Water Approval, Route 9 Restaurants, Inc., Block 225, Lot 2.01*. Roll call vote: Nosti-Yes; Miklosey-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Resolution 2017-44 – Final Sewer and Water Approval – Ridgemont Homes, Inc. – Harbor Run Major Subdivision – Mr. Dittenhofer reported his office received the application and plans for final sewer and water approval for Ridgemont Homes, Inc., Harbor Run major subdivision, Blocks 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. Nosti and seconded by Mr. Miklosey to adopt *Resolution No. 2017-44, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Final Sewer and Water Approval, Harbor Run Major Subdivision, Blocks 1724-1735, Various Lots, Ridgemont Homes, Inc.* Roll call vote: Nosti-Yes; Miklosey-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Well 7 & 8 VFD – Mr. Dittenhofer stated he reviewed the pump and motor size and recommends reducing the pump size. He will solicit quotes from well companies.

Fairview Lane Sanitary Improvements – Mr. Dittenhofer stated a Notice to Proceed was issued May 15, 2017. Project is scheduled to start August 7, 2017. Mr. Knoeller asked that all residents of Fairview Lane be notified of exact start date.

ATTORNEY'S REPORT

Well No. 7 & 8 – Mr. Dasti stated his office prepared a Resolution concerning this application.

Railroad Avenue Bypass Road – Mr. Dasti stated his office has been in contact with the Township attorney. The Township is requesting that the Authority execute Drainage Easements to assist in the construction of the bypass road. Upon receipt of the Drainage Easements his office will consult with the Authority's consulting engineer before submitting the Easements to the Authority for review and approval.

2017 Bond Refunding – Mr. Dasti stated his office is continuing with the necessary and voluminous paperwork in conjunction with the proposed refunding of the Authority's Bonds. The Bond market continues to be very strong and there will be tremendous savings to the Authority and its rate bearers. A preliminary closing is scheduled for late August.

AUDITOR'S REPORT

Accountant's Status Report – Month Ended June 30, 2017 – Mr. Holman reported sewer and 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 and year-to-date.

CORRESPONDENCE

Peter Nyitrai, Llewellyn Parkway – Requesting relief of utility bill, due to leaky hot water heater. 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 to grant a credit adjustment on the sewer charges in the amount of \$9.28 (8,000 gallons). Roll call vote: Nosti-Yes; Miklosey-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Mr. & Mrs. Zieser, Pelican Dr. – Requesting relief of utility bill, due to leaky pressure relief valve. Since the water from the leak did not go into the sewer system, a motion was made by Mr. Nosti and Mr. Miklosey to grant a credit adjustment on the sewer charges in the amount of \$211.34 (48,000 gallons). Roll call vote: Nosti-Yes; Miklosey-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Kevin Pielhau, Lawrence Dr. – Requesting relief of utility bill, due to leaking swimming pool. Based upon the information provided, an adjustment to the account could not be supported.

Lacey Car Wash - Mr. Woolf Tabled this matter.

Carole Sturman, Sarasota Dr. – Requesting relief of utility bill, due to leaky outside shower and faucet. 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 \$6.96 (6,000 gallons). Roll call vote: Miklosey-Yes; Masciale-Yes; Lanuto-Yes; Nosti-Yes; Knoeller-Yes. Motion passed.

**NEW
BUSINESS**

Notice to Lacey MUA Customers - Mr. Woolf stated on Wednesday, July 26, 2017 the Lacey MUA received notification of an article printed in the Patch online news media entitled “45 N.J. Towns That Have Harmful Pollutants In Drinking Water, According To New Study”. The article indicates that “Eleven harmful contaminants were found in the water supplies in 45 New Jersey towns”, according to a report released by the Environmental Working Group (EWG), an independent nonprofit environmental organization. The article then cites Towns that have had “violation points” according to the Environmental Protection Agency. The Lacey MUA was listed as one of the Water Utilities in the article.

Mr. Woolf stated it is the position of the Lacey Municipal Utilities Authority that this article was written irresponsibly. The Lacey MUA has not violated or exceeded any drinking water quality standards in 2017 and remain in full compliance with New Jersey Department of Environmental Protection (NJDEP) and United States Environmental Protection Agency (USEPA) standards for drinking water quality. If a drinking water quality standard had been violated, the Lacey MUA would have notified each of its customers by mail and other media sources as required. The Lacey MUA did however receive reporting violations (violation points) for failing to report sample results to NJDEP in a timely manner. Steps are being taken to prevent this in the future.

In closing, the Lacey MUA is disappointed in the Patch for printing an article which is misleading and causes its customers to worry about the quality of their drinking water. Independent Environmental Organizations are not regulatory agencies and do not set the standards for drinking water quality, this is the responsibility of the USEPA and NJDEP.

Mr. Masciale recommended adding to the notice the fact that all laboratory reports at contaminant levels were well below the maximum allowable contaminant requirements defined by Federal and New Jersey Drinking Water Standards.

Mr. Knoeller recommended terminating the relationship between the Authority and the laboratory since this has not been the first occurrence.

Mr. Juliano stated he will address this issue at the Township meeting. He asked Mr. Woolf to prepare a statement.

Proposed Administration Building – Mr. Knoeller stated he discussed with Mr. Woolf the desire of building a new administration building on vacant property off of Headquarters Lane. He explained the present building is not accommodating the needs of the Authority (storage space, layout, etc.). The building would be energy efficient. Mr. Knoeller is requesting administration and staff to provide their input/recommendations to the design layout of the building.

Mr. Knoeller stated he would like to consolidate water and sewer personnel to the building. However, there is a forced main that services the existing building and garage building that freezes in the winter. There is a pump station on Municipal Lane, and asked Mr. Dittenhofer to provide input as to where it can be tapped into. In the interim, there is a fire hydrant and water is on site, but an 8 inch main needs to be run to service this building and run a stub to service the future building. It would be a great benefit to the Township for sewer and water services.

Mr. Knoeller stated the funding of this building would come from capital improvement funds. He asked that a building committee be formed, and an architect be hired for preliminary discussions. A motion was made by Mr. Nosti and seconded by Mr. Miklosey to hire Thomas Lanuto, architect, for preliminary meeting for the new administration building. Roll call vote: Nosti-Yes; Miklosey-Yes; Lanuto-Abstain; Masciale-Yes; Knoeller-Yes. Motion passed.

Public Officials Training - Mr. Woolf reminded the Board the Public Officials Training will be held on September 6th at 6:00 p.m.

**OLD
BUSINESS**

There was no old business.

**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 \$894,009.42 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. Nosti to adopt the above Resolution. Roll call vote: Miklosey-Yes; Nosti-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

ADJOURNMENT There being no further business to discuss, the meeting was adjourned at 7:05 p.m.

Respectfully submitted,

Michele Kennedy
Executive Secretary