

**LACEY MUNICIPAL UTILITIES AUTHORITY
RATE HEARING & REGULAR MEETING
JUNE 2, 2021**

Pledge of Allegiance

ROLL CALL

A Rate Hearing and Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, June 2, 2021 and was called to order at 6:30 p.m. by James Knoeller, Chairman. Other members present were Michael Masciale, Jack Nosti, Arthur Miklosey (via teleconference), Ralph Lanuto, and Alan Baker. Also present were Jerry Dasti, attorney; Alan Dittenhofer and Pam Hilla, engineer; Brian Waldron 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.

**RATE
HEARING**

Jerry Dasti, Hearing Officer – Mr. Dasti stated this rate hearing is conducted in accordance with the provisions of N.J.S.A. 40:14B-23, in particular to establish water connection fees. The notification of this rate hearing was published in the Asbury Park Press and Atlantic City Press on May 22, 2021

Mr. Woolf was sworn in by Mr. Dasti.

Edward A. Woolf, Executive Director – Mr. Woolf stated the Authority has an obligation to review its rates and fees each year. The Authority’s auditor was asked to review the connection fees. The auditor prepared a calculation on the allowable connection fee charges for water and sewer, which was based on LMUA expenditures through December 31, 2020. At the Authority’s last board meeting the report was examined and a motion of the Board to move forward with a rate hearing to consider raising the water connection fees.

Mr. Dasti added as a justification for the increase the water tank was recently painted and there was a substantial difference in terms of the fees paid by the Authority to the

painting contractor this year as opposed to the one that was painted last time. Additionally, this is an accountable project that should be paid for by all new users. Mr. Knoeller pointed out it cost as much to paint it this time as it cost to build it.

**COMMISSIONERS
COMMENTS**

Mr. Knoeller asked that the auditor's computed allowable connection fee charges indicating the extent of the maximum connection fees be entered into evidence. Mr. Dasti stated it will be marked as Exhibit 2.

**PUBLIC
TESTIMONY**

There was no public testimony.

**FORMAL
ACTION**

Resolution 2021-26 – Establishing Water Connection Fees - A motion was made by Mr. Nosti and seconded by Mr. Lanuto to adopt *Resolution 2021-26, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Establishing Water Connection Fees effective June 15, 2021*. Roll call vote: Nosti-Yes; Lanuto-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**APPROVAL
OF MINUTES**

Regular Meeting of May 5, 2021 - A motion was made by Mr. Masciale and seconded by Mr. Lanuto to approve the minutes of the Regular Meeting of May 5, 2021. Roll call vote: Masciale-Yes; Lanuto-Yes; Miklosey-Yes; Nosti-Yes; Knoeller-Yes. Motion passed.

**EXECUTIVE
DIRECTOR'S
REPORT**

Cash Balance Report - Period Ending April 30, 2021 - Mr. Woolf summarized the cash balances for period ending April 30, 2021 as follows: Total cash balance for the unrestricted accounts were \$10,909,730.08, with earnings of \$14,482.18. Total cash balance for the restricted accounts held by the trustee were \$2,972,194.57, with earnings of \$3,869.30. Current period interest on the restricted and unrestricted accounts was \$18,351.48. Year-to-date earnings on all interest bearing accounts were \$71,857.84.

OCUA – Mr. Woolf reported the OCUA bill has increased substantially. He directed the sewer department to perform inspections of the sewer system. Quite a few leaks have been detected and he is working on getting a contractor in to repair those leaks. He is confident there will be a significant decrease once those repairs are done.

**BUSINESS
REPORT**

The business report was submitted for review.

**ENGINEER'S
REPORT**

Resolution 2021-27 – Preliminary Sewer and Water Approvals – ARYA Properties Subdivision – Various Blocks and Lots – Mr. Dittenhofer reported his office received the applications and plans for preliminary sewer and water approvals for ARYA Properties Subdivision. The applicant is proposing to construct a 25-lot subdivision between the terminus of Wildwood Road and Salt Spray Drive. The applicant proposes to service the site with an on-site 8" PVC water main extension and dedicated water services to each unity. The applicant proposes to provide sanitary sewer service to the site by constructing an 8" SDR-35 PVC gravity sewer main extension on-site with

individual services provided to each lot as well. On recommendation by the Authority's engineer, a motion was made by Mr. Masciale and seconded by Mr. Nosti to adopt *Resolution No. 2021-27, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Preliminary Sewer and Water Approval, AYRA Properties Subdivision, Various Blocks and Lots*. Roll call vote: Masciale-Yes; Nosti-Yes; Lanuto-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

Solar System – Mr. Dittenhofer reported his office issued Notice to Proceed May 6, 2021. Change order is to be proceeded to increase the total DC Wattage at the Treatment Plant No. 2 to 66,660 DC Watts.

Repainting of Tank No. 1 – Mr. Dittenhofer reported interior bowl painting is complete. Punch list items still remain on contract.

Route 9 Watermain Extension – Mr. Dittenhofer reported construction is complete. His office recommend payment No. 1 in the amount of \$300,076.00.

Antenna Read and Meter/MXU Replacement Phase 1 – Mr. Dittenhofer reported specifications for the Phase 1 fixed base antenna read system and MXU replacements is being prepared.

Cleaning, Televising Sewer Rehabilitation – Mr. Dittenhofer reported specifications for sewer cleaning, televising and grouting of sanitary sewer identified as high infiltration areas.

EPA Risk and Resiliency Plan and Emergency Response Plan – Mr. Dittenhofer reported his office is finalizing plans to meet the submission deadline of June 30, 2021.

Pole Barn – Mr. Dittenhofer reported specifications for the pole barn are being prepared for bidding.

ATTORNEY'S REPORT

Lacey MUA ADS Collura, Christina - Mr. Dasti recommended this issue be discussed in closed session due to potential litigation.

Mandatory Water Hookup – Mr. Dasti stated his office communicated with various property owners in the vicinity of the former Oyster Creek Nuclear Power Station. At this point, he is not aware of any additional property owners, other than Holtec, who is compelled and required to connect to the Authority's water main extension. Dialog should be started with representatives of Ocean Township, as well as correspondence be forwarded to NJDEP indicating the Authority has sufficient water capacity to service neighboring municipalities, and therefore, neighboring municipalities need not consider applying for a permit to drill new wells into the granular aquifer.

AUDITOR'S REPORT

Accountant's Status Report – Month Ended April 30, 2021 – Mr. Waldron reported sewer revenues had an unfavorable variance for the month, but favorable on water. Sewer and water expenses had an unfavorable variance for the month, year to date favorable. Sewer and water user charges were both unfavorable for the month. His office is still waiting for information from the State to finalize the audit.

CORRESPONDENCE

There was no correspondence to discuss.

OLD BUSINESS

Mr. Knoeller asked for an update on pricing for the water lateral under Route 9 to service the Holtec property. Ms. Hilla stated Remington & Vernick are looking at getting alternative quotes.

Mr. Woolf stated Governor Murphy's executive order banning penalties and shut-offs is due to expire on June 30th. Will the Authority begin charging penalties and shut-offs after this date. Mr. Knoeller stated penalties and shut-offs will resume from the point of June 30th onward only. In regards to shut-off notice, Mr. Dasti stated if customers are delinquent on their principle the Authority has the right to issue shut-off notices.

NEW BUSINESS

There was no new business to discuss.

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 \$1,023,076.95 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. Lanuto and seconded by Mr. Nosti to adopt the above Resolution. Roll call vote: Lanuto-Yes; Nosti-Yes; Miklosey-Yes; Masciale-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 potential litigation.

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. 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.

A motion was made by Mr. Masciale and seconded by Mr. Lanuto to credit Christina Collura's account for all sanitary sewer charges which have been assessed, and paid, since customer took occupancy of the property. This credit will apply toward future sanitary sewer bills generated by the Authority. Roll call vote: Masciale-Yes; Lanuto-Yes; Miklosey-Yes; Nosti-Yes; Knoeller-Yes. Motion passed.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 7:00 p.m.

Respectfully submitted,

Michele Kennedy
Executive Secretary