

**LACEY MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
JUNE 5, 2024**

Pledge of Allegiance

ROLL CALL

The Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, June 5, 2024 and was called to order at 6:00 p.m. by James Knoeller, Chairman. Other members present were Michael Masciale, Ralph Lanuto, Karen MacArthur and Jeff Nilon. Also present were Vincent Omelio, auditor; Trace Dittenhofer, engineer; Chris Dasti, Esq., attorney; 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 May 1, 2024 - A motion was made by Mr. Masciale and seconded by Mr. Lanuto to approve the minutes of the Regular Meeting of May 1, 2024. Roll call vote: Masciale-Yes; Lanuto-Yes; Nilon-Yes; MacArthur-Yes; Knoeller-Yes. Motion passed.

**EXECUTIVE
DIRECTOR’S
REPORT**

Cash Balance Report - Period Ending April 30, 2024 - Mr. Woolf summarized the cash balances for period ending April 30, 2024 as follows: Total cash balance for the unrestricted accounts were \$10,437,755.44, with earnings of \$57,887.56. Total cash balance for the restricted accounts held by the trustee were \$769,056.24, with earnings of \$3,403.54. Current period interest on the restricted and unrestricted accounts was \$61,291.10. Year-to-date earnings on all interest bearing accounts were \$239,677.35.

Resolution 2024-29 – Provision to State Health Benefits Program – Mr. Knoeller explained this provision extends health benefits to surviving spouses of eligible retirees. On recommendation by the executive director, a motion was made by Mr. Masciale and seconded by Mr. Lanuto to adopt *Resolution 2024-29, Resolution of the Lacey Municipal*

Utilities Authority, County of Ocean, State of New Jersey, Approving Provision to the State Health Benefits Program. Roll call vote: Masciale-Yes; Lanuto-Yes; Nilon-Yes; MacArthur-Yes; Knoeller-Yes. Motion passed.

Resolution 2024-34 – Authorize Donation to Township of Lacey for Lacey Township School District – Mr. Knoeller stated a meeting was held with Mayor Juliano and the Superintendent of schools to discuss and consider the LMUA donating \$420,000.00 to the Township, who in turn would donate it to the schools. This money would be used to strictly reinstate four tenured school teachers. It was pointed out to the Superintendent that the money the LMUA donated last year was to be used for saving jobs. Unfortunately, it was not used for that purpose. The Superintendent guaranteed that the money will be used to reinstate four tenured teachers to the school district. Mr. Knoeller informed the Superintendent this would be the last donation from the LMUA to the school district.

Mayor Juliano thanked the Authority for the donation and made it clear the money cannot be used for anything other than reinstating the four tenured teachers.

Mr. Nilon stated he is against this donation adding that the school had this problem last year and as a business they should have planned ahead. The Superintendents and principles should be taking pay cuts to keep their employees. He stated he would be in favor of a loan to the school. Mr. Dasti stated there is no legal mechanism in place in lending money to the Township. Mr. Nilon stated it was shameful on what happened last year where the money was not used for the intended purposes.

In regards to this being the last donation, Mr. Masciale recommended it should be voted on each year. Mr. Knoeller stated as long as he is Chairman it will not be entertained next year.

On recommendation by the executive director, a motion was made by Mr. Lanuto and seconded by Ms. MacArthur to adopt *Resolution 2024-34, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Authorize Monetary Donation to Township of Lacey for Lacey Township School District.* Roll call vote: Lanuto-Yes; MacArthur-Yes; Nilon-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Request to Receive Bids – Dump Truck - Mr. Woolf requested authorization to advertise and receive bids to purchase a dump truck. A motion was made by Mr. Masciale and seconded by Mr. Nilon authorizing the advertisement to receive bids for purchase of a dump truck. Roll call vote: Masciale-Yes; Nilon-Yes; MacArthur-Yes; Lanuto-Yes; Knoeller-Yes. Motion passed.

Ed Woolf – Mr. Woolf announced his retirement effective July 1st. He thanked the Board for the opportunity in serving the Authority as the Executive Director for 20 years. It was an honor and a privilege.

Mr. Knoeller stated he had much discussion with Mr. Woolf over his decision to retire, and regrettably accepts Mr. Woolf's resignation.

Mr. Masciale stated Mr. Woolf will be greatly missed. If there was ever an issue Mr. Woolf was on top of it and it was resolved immediately. The LMUA is the number one organization in Lacey Township and much of that is because of Mr. Woolf.

Resolution 2024-31 – Accepting Retirement of Edward Woolf – A motion was made by Mr. Masciale and seconded by Mr. Lanuto to adopt *Resolution 2024-31, Resolution of the Lacey Municipal Utilities Authority, Accepting the Retirement of Edward Woolf*. Roll call vote: Masciale-Yes; Lanuto-Yes; Nilon-Yes; MacArthur-Yes; Knoeller-Yes. Motion passed.

Mr. Knoeller stated the personnel committee asked Mr. Woolf if there was anyone in the organization that was qualified to take his position. Mr. Woolf recommended Troy Burton. The personnel committee interviewed Mr. Burton and after much discussion, a tentative offer was made. Mr. Burton would be named acting executive director effective July 1, 2024, with a probation of six months. At the end of six months, Mr. Burton will be evaluated. If he should continue as a full time executive director additional compensation will be considered at that time. Additionally, if the position did not work out on either side, Mr. Burton can return to his former position as water superintendent. Therefore, the water superintendent position will not be filled at this time. Mr. Masciale pointed out Mr. Burton has the experience and knowledge, as well as all of the certificates and requirements.

Resolution 2024-32 – Appointing Troy Burton as Acting Executive Director – A motion was made by Mr. Nilon and seconded by Ms. MacArthur to adopt *Resolution 2024-32, Resolution of the Lacey Municipal Utilities Authority, Appointing Troy Burton as Acting Executive Director effective July 1, 2024 for a period of six months*. Roll call vote: Nilon-Yes; MacArthur-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Mr. Knoeller stated since there are a few employees retiring, the Authority needs someone to become a supervisor who would be taking on a lot of responsibility since Mr. Burton will be the acting executive director. Mr. Woolf and Mr. Burton recommended Derek Verge be promoted to a newly created job title of operations supervisor. Mr. Verge holds all the credentials required for this position.

Resolution 2024-33 – Appointing Derek Verge as Operations Supervisor – A motion was made by Mr. Nilon and seconded by Ms. MacArthur to adopt *Resolution 2024-33, Resolution of the Lacey Municipal Utilities Authority, Appointing Derek Verge as Operations Supervisor effective June 6, 2024*. Roll call vote: Nilon-Yes; MacArthur-Yes; Lanuto-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

BUSINESS REPORT

The business report was submitted for review.

ENGINEER'S REPORT

Resolution 2024-30 – Final Sewer and Water Approval – Ridgemont Homes – Lake Barnegat Drive - On recommendation by the Authority's engineer, a motion was made by Ms. MacArthur and seconded by Mr. Lanuto to adopt *Resolution 2024-30, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Final Sewer and Water Approval, Ridgemont Homes – Lake Barnegat Drive, Block 1635.01,*

Lot 29. Roll call vote: MacArthur-Yes; Lanuto-Yes; Nilon-Yes; Masciale-Yes; Knoeller-Yes. Motion passed. Mr. Knoeller stated a wye connection is mentioned in RVE letter. Mr. Dittenhofer stated that is incorrect and will be remove from the letter.

Antenna Read and Meter/MXU Replacement I – The installation of both fixed base antenna read systems has been completed and Core and Main has completed the integration of the fixed base system with Lacey MUA’s existing meters. The Authority is currently installing meters under this phase.

Route 9 Water Service – RVE investigating viability of completing interconnect with Ocean Township water system.

Holtec Route 9 Service – Service is operational.

Meter Replacement Phase 2 – Installation has begun and is anticipated to be complete by end of summer.

Water Treatment Plant #2 Replacement Generator and Diesel Tank – Automatic transfer switch has been received by the Authority and a delivery date of June 2024 has been provided for the generator. Contractor would like to begin non-critical work during summer.

Water Treatment Plant #1 Expansion – RVE has submitted the conceptual plan to the NJDEP and is waiting for technical comments.

Water Treatment Plant #2 Valve Replacement – Work anticipated to commence in Fall of 2024.

ATTORNEY’S REPORT

LMUA v. 2020 Equities, LLC – Mr. Dasti reported his office has instituted suit for violations of the Operations Agreement at the Chipotle site. We are in the process of service the defendant and will keep the Authority apprised.

AUDITOR’S REPORT

Accountant’s Status Report – Month Ended April 30, 2024 – Mr. Omelio 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, unfavorable year-to-date.

CORRESPONDENCE

Maryanne DeFranco, Sandy Hook Dr. – Requesting relief of utility bill, due to leaky toilet flange. Since the water from the leak did not go into the sewer system, a motion was made by Mr. Masciale and seconded by Mr. Lanuto to grant an adjustment on the sewer charges in the amount of \$452.98. Roll call vote: Masciale-Yes; Lanuto-Yes; Nilon-Yes; MacArthur-Yes; -Yes; Knoeller-Yes. Motion passed.

Kathleen King, Cambridge Rd. – Requesting credit to utility bill, due to damaged sprinkler system caused by LMUA personnel. A motion was made by Mr. Masciale and

seconded by Mr. Lanuto to grant a credit adjustment in the amount of \$200.00. Roll call vote: Masciale-Yes; Lanuto-Yes; Nilon-Yes; MacArthur-Yes; Knoeller-Yes. Motion passed.

Brenda Basilone, Lake Barnegat Dr. – Requesting relief of utility bill, due to valve and expansion tank leak in crawl space. Since the water from the leak did not go into the sewer system, a motion was made by Mr. Masciale and seconded by Mr. Lanuto to grant an adjustment on the sewer charges in the amount of \$172.44. Roll call vote: Masciale-Yes; Lanuto-Yes; Nilon-Yes; MacArthur-Yes; Knoeller-Yes. Motion passed.

Knoeller - we received notice that we are going to get a 2% increase in our sewer discharge. I want you to think about the fact we have not been passing this on to our customer base . Because of the fact we are trying to keep their rates to the point where it is fairly reasonable. What I would like you to do (Troy) for next meeting is give us roughly on what that 2% would cost us if we absorb it and not pass on to the rate payers. Mr. Woolf stated it would cost approximately \$60,000.00. We will have discussion at the next meeting. If it is possible we could absorb it – will take a look at the budget numbers again. We need to have a better liaison with the mayor and committee to get it out that we are not passing it on to the home owners but absorbing the cost.

**OLD
BUSINESS**

There was no old business to discuss.

**NEW
BUSINESS**

Mr. Knoeller stated the Authority received notice from the OCUA that they are implementing a 2% increase in its schedule of sewer rates and charges. He asked Mr. Woolf what it would cost the Authority to absorb this increase. Mr. Woolf stated it would be approximately \$60,000.00. Mr. Knoeller stated discussion on absorbing the cost or passing it on to the rate-payers will be discussed at the next Board meeting.

**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 \$1,518,759.72 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. Masciale to adopt the above resolution. Roll call vote: Lanuto-Yes; Masciale-Yes; Nilon-Yes; MacArthur-Yes; Knoeller-Yes. Motion passed.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 6:50 p.m.

Respectfully submitted,

Michele Kennedy
Executive Secretary