

**LACEY MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
MARCH 5, 2025**

Pledge of Allegiance

ROLL CALL

The Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, March 5, 2025 and was called to order at 6:00 p.m. by Jeff Nilon, Vice Chairman. Other members present were Michael Masciale, Gary Quinn, Ralph Lanuto, Alan Baker, and Karen MacArthur. Also present were Brian Waldron, auditor; Trace Dittenhofer, engineer; Lauren Staiger, Esq., attorney; Deborah Kramer, office manager, and Troy Burton, executive director.

**“SUNSHINE
LAW”
STATEMENT**

Mr. Nilon 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 and Reorganization Meeting of February 5, 2025 - A motion was made by Mr. Masciale and seconded by Mr. Lanuto to approve the minutes of the Regular and Reorganization Meeting of February 5, 2025. Roll call vote: Masciale-Yes; Lanuto-Yes; MacArthur-Yes; Baker-Yes; Quinn-Yes. Motion passed.

**EXECUTIVE
DIRECTOR’S
REPORT**

Cash Balance Report - Period Ending January 31, 2025 - Mr. Burton summarized the cash balances for period ending January 31, 2025 as follows: Total cash balance for the unrestricted accounts were \$10,328,793.32, with earnings of \$70,217.58. Total cash balance for the restricted accounts held by the trustee were \$510,162.71, with earnings of \$5,029.26. Current period interest on the restricted and unrestricted accounts was \$75,246.84. Year-to-date earnings on all interest bearing accounts were \$75,246.84.

Resolution 2025-22 – Emergency Repair Declaration – Yacht Basin Plaza South – Mr. Burton explained a contractor had damaged the sanitary sewer main at Yacht Basin Plaza South, therefore, emergency repair was necessary. On recommendation by the

executive director, a motion was made by Mr. Masciale and seconded by Mr. Baker to adopt *Resolution 2025-22, Declaring Emergency for Repairs at Yacht Basin Plaza South*. Authority authorized Sewer Rat Trenchless Solution LLC to make the emergency repair at a cost not to exceed \$100,800.00. Roll call vote: Masciale-Yes; Baker-Yes; MacArthur-Yes; Lanuto-Yes; Quinn-Yes. Motion passed.

Resolution 2025-24 – Award of Contract – Water Meters 2025 – On recommendation by the executive director, a motion was made by Mr. Masciale and seconded by Mr. Lanuto to adopt *Resolution 2025-24, Awarding Contract, Water Meters, Iperl/Brass and AMI Smartpoint Radio Units 2025, to Core & Main in the amount of \$140,845.00*. Roll call vote: Masciale-Yes; Lanuto-Yes; MacArthur-Yes; Baker-Yes; Quinn-Yes. Motion passed.

Resolution 2025-23 – Merit Increase – Mary D’Angelo - Mr. Burton stated Mary D’Angelo has been employed with the LMUA since 2016, and is an essential asset to the Authority.

Mrs. Kramer asked the Board to consider increasing the proposed salary increase, or have the proposed increase retroactive to January 2024. She pointed out Mrs. D’Angelo has been asking for a merit increase for the past two years. The salaries she tried to compare Mrs. D’Angelo’s to don’t come close to the responsibilities that she has. Additionally, Mrs. D’Angelo is required to be at the office on the first day of every month for billing, which impedes on her paid time off. Mrs. D’Angelo goes above and beyond her job duties.

Mr. Nilon stated there will be further discussion with the personnel committee regarding this request. Therefore, this Resolution will be tabled.

Resolution 2025-25 – Appoint Utility Worker - On recommendation by the executive director, a motion was made by Mr. Lanuto and seconded by Ms. MacArthur to adopt *Resolution 2025-25, Appointing Giovanni Conigliaro to the position of Sewer Utility Worker*. Roll call vote: Lanuto-Yes; MacArthur-Yes; Baker-Yes; Quinn-Yes; Masciale. Motion passed.

Resolution 2025-30 – Letter of No Interest – Samir and Maryann Mikhall – On recommendation by the executive director, a motion was made by Ms. MacArthur and seconded by Mr. Quinn to adopt *Resolution 2025-30, Letter of No Interest, Road Extension Plan with Waivers, Somme Street, Samir and Maryann Mikhall, Block 1199, Lots 1, 2, 46-50*. Roll call vote: MacArthur-Yes; Quinn-Yes; Lanuto-Yes; Baker-Yes; Masciale-Yes. Motion passed.

BUSINESS REPORT

The business report was submitted for review.

ENGINEER’S REPORT

Resolution 2025-27 – Tentative Sewer & Water Approval- Lacey Plaza- On recommendation by the engineer, a motion was made by Mr. Masciale and seconded by Ms. MacArthur to adopt *Resolution 2025-27, Tentative Sewer and Water Approval, Lacey Plaza, Block 225, Lots 17.02-17.04*. Roll call vote: Masciale-Yes; MacArthur-Yes; Lanuto-Yes; Baker-Yes; Quinn-Yes. Motion passed.

Resolution 2025-29 – Preliminary Sewer & Water Approval – Ayra Properties – Marine Plaza - On recommendation by the engineer, a motion was made by Ms. MacArthur and seconded by Mr. Quinn to adopt *Resolution 2025-29, Preliminary Sewer and Water Approval, Ayra Properties – Marine Plaza, Block 263, Lot 10*. Roll call vote: MacArthur-Yes; Quinn-Yes; Lanuto-Yes; Baker-Yes; Masciale-Yes. Motion passed.

Resolution 2025-28 – Preliminary Sewer & Water Approval – PKN Development - On recommendation by the engineer, a motion was made by Ms. MacArthur and seconded by Mr. Lanuto to adopt *Resolution 2025-28, Preliminary Sewer and Water Approval, PKN Development, Block 17.01, Lot 63.01*. Roll call vote: MacArthur-Yes; Lanuto-Yes; Baker-Yes; Quinn-Yes; Masciale-Yes. Motion passed.

Resolution 2025-26 – Release Performance Bond – Accept Maintenance Bond – Final Payment – Generator Replacement Treatment Plant - On recommendation by the engineer, a motion was made by Mr. Baker and seconded by Ms. MacArthur to adopt *Resolution 2025-26, Accept Maintenance Bond, Release Performance Bond, Final Payment, Generator Replacement Treatment Plant, LaManna Electric, Inc.* Roll call vote: Baker-Yes; MacArthur-Yes; Lanuto-Yes; Quinn-Yes; Masciale-Yes. Motion passed.

Railroad Avenue – Courtesy Sewer and Water Review – Letter of No Interest - On recommendation by the engineer, a motion was made by Ms. MacArthur and seconded by Mr. Baker to approve a Letter No Interest for Railroad Avenue, Block 1000, Lot 4; Block 279, Lots 10 & 11. Roll call vote: MacArthur-Yes; Baker-Yes; Lanuto-Yes; Quinn-Yes; Masciale-Yes. Motion passed.

Water Treatment Plant #2 Replacement Generator and Diesel Tank – Construction is complete, and punch list items satisfied.

Water Tower #2 Rehabilitation – Contracts have been received. Pre-construction meeting to be held.

Franklin Court Sanitary Sewer Rehabilitation – NJDEP Treatment Works approval application is administratively complete. Ocean County Soils Plan Certification is complete.

Plant No. 1 Aerator Pilot – Bid package shall be prepared for the advertisement at the end of March.

2025 Sanitary Sewer Rehabilitation – Specifications have been completed and bid opening to be held on March 28th.

Yacht Basin Plaza Emergency Repair – Emergency Declaration has been issued with a not to exceed amount of \$100,600.00.

**ATTORNEY'S
REPORT**

Tank No. 2 Rehabilitation – Ms. Staiger reported her office reviewed the contract documents from the Authority's engineer and found the documents to be satisfactory.

Rate Hearing 2025 – Ms. Staiger reported her office prepared and published the appropriate notices and coordinated with the Authority's auditor and engineer to prepare the evidence to submit for the Rate Hearing held prior to the Authority's regular meeting.

2025 Water Meter Bid – Ms. Staiger reported her office reviewed the sole bid from Core & Main, LLP. The bid was submitted in accordance with the bid specifications and can be awarded subjected to the Authority's budgetary constraints.

Emergency Declaration for Yacht Basin Plaza South – Ms. Staiger reported her office prepared a Resolution declaring an emergency under the Local Public Contracts Law. His office has been corresponding with Traveler's Insurance Company, which is the insurer for the contractor that caused the damage. A demand package will be sent to Traveler's Insurance for all of the repair and costs, as well as all administrative, engineering and legal costs incurred by the Authority and demand full reimbursement.

**AUDITOR'S
REPORT**

Accountant's Status Report – Month Ended January 31, 2025 – Mr. Waldron reported water and sewer revenues had a favorable balance for the month. Sewer and water expenses had an unfavorable variance for the month. Sewer and water user charges had a favorable variance for the month. The Authority can anticipate a surcharge of \$1,181 through the month of January from the OCUA.

CORRESPONDENCE

Mr. & Mrs. Filippis, Beach Blvd. – Requesting relief of utility bill, due burst pipe in the crawl space. Since the water from the leak did not go into the sewer system, a motion was made by Ms. MacArthur and seconded by Mr. Baker to grant an adjustment on the sewer charges in the amount of \$1,883.10. Roll call vote: Mac-Arthur-Yes; Baker-Yes; Lanuto-Yes; Quinn-Yes; Masciale-Yes. Motion passed.

Marilyn Trikeriotis, Spruce St. – Requesting relief of utility bill, due burst pipe in the garage. Since the water from the leak did not go into the sewer system, a motion was made by Ms. MacArthur and seconded by Mr. Baker to grant an adjustment on the sewer charges in the amount of \$3,336.48. Roll call vote: Mac-Arthur-Yes; Baker-Yes; Lanuto-Yes; Quinn-Yes; Masciale-Yes. Motion passed.

**OLD
BUSINESS**

There was no old business to discuss.

**NEW
BUSINESS**

There was no new business to discuss.

**PUBLIC BUSINESS/
COMMENT**

Regina Discenza, Sunrise Beach – Mrs. Discenza inquired about the flood that occurred near Home Depot’s basin a couple of weeks ago. It is her understanding they were cleaning their storm drains and caused a back-up into their own basin. Mrs. Discenza stated the Township of Lacey was pumping out the flood and they should be reimbursed for using Township trucks. She asked if there is a stipulation in the Operation’s/Developer’s Agreement that if they cause a flood they are responsible – not the Township. Mr. Burton stated he will review the Agreements.

**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 \$1,737,590.09 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; MacArthur-Yes; Baker-Yes; Quinn-Yes. Motion passed.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 6:20 p.m.

Respectfully submitted,

Michele Kennedy
Executive Secretary

**LACEY MUNICIPAL UTILITIES AUTHORITY
RATE HEARING
MARCH 5, 2025**

Pledge of Allegiance

ROLL CALL

A Rate Hearing of the Lacey Municipal Utilities Authority was held on Wednesday, March 5, 2025 and was called to order at 5:00 p.m. by Jeff Nilon, Vice Chairman. Other members present were Michael Masciale, Gary Quinn, Ralph Lanuto, Alan Baker and Karen MacArthur. Also present were Lauren Staiger, attorney; Trace Dittenhofer, engineer; Brian Waldron, auditor; and Troy Burton, executive director.

**“SUNSHINE
LAW”
STATEMENT**

Mr. Nilon read the following statement.

Notice of this meeting was adequately provided pursuant to Public Law 1975, Chapter 231.

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**RATE
HEARING**

Lauren Staiger, Esq., Hearing Officer – Ms. Staiger stated this rate hearing is conducted in accordance with the provisions of N.J.S.A. 40:14B-1, in particular subsections 22 and 23. The notification of this rate hearing was published in the Asbury Park Press and Atlantic City Press on February 13, 2025.

Ms. Staiger stated at the Authority’s 2024 rate hearing, the rates were amended in April of 2024 to change the rate hearing structure from the connection fee on the size of the pipe going into the building and changing it to the equivalent dwelling unit model (EDU). At that time, there was an issue with regard to the manner in which the meeting was advertised, therefore, the Authority is having a rate hearing again, which has been advertised appropriately.

At this time Mr. Dittenhofer, Mr. Waldron and Mr. Burton were sworn in.

Trace Dittenhofer – Mr. Dittenhofer was asked a series of questions by Ms. Staiger.

Last year in conjunction with the Authority’s executive director, your office took a look at the Authority’s rate schedule. Dittenhofer – Yes.

A determination was made to migrate from the current rate schedule calculating based upon the size of the pipe leading into the building to the EDU model. Dittenhofer – Yes.

Ms. Staiger asked Mr. Dittenhofer to provide an overview of how the EDU model was arrived at and how the 156 gallons per day number was determined. Mr. Dittenhofer stated the EDU model was standard practice for connection fees for utilities authorities and towns that maintain their own utility infrastructure. It is a more equitable solution to make sure that similar installations pay similar connection fees. The 156 gallons per day EDU model was based on the AWWA regulation for the calculation of connection fees. It is the function of the total of all water diverted in the Authority's system divided by the number of Authority customers. This is how the 156 gallons per day was arrived at.

Your office set forth calculations on February 14, 2025 in a letter regarding the fee amendment that was addressed to the Authority's executive director at that time. Dittenhofer – Yes.

Brian Waldron, Auditor – Mr. Waldron was asked a series of questions by Ms. Staiger.

Your office worked in conjunction with Mr. Dittenhofer's office with regard to calculating the new EDU rate schedule. Waldron – Yes.

Pursuant to the New Jersey law, the Authority has to treat all like users the same and not discriminate against similar types of users. Waldron – Yes.

Your office prepared the November 1, 2023 chargeable rate connection fee calculation. Waldron – Yes.

At that time, the rate connection fee calculation that was utilized for the April 2024 hearing, your office subsequently issued a February 20, 2025 rate calculation to the executive director, which is attached to the November 1, 2023 calculation indicating that the calculation remains the same. Waldron – Yes.

Although the February 2025 letter incorporates the November 1, 2023 rate calculations, it was also divided amongst the equivalent dwelling unit base which arrived at the maximum total connection fee, which is the EDU base connection fee that the Authority is proposing. Waldron – Yes.

Your February 20, 2025 memorandum indicates that because the fees were calculated in November 2023, the Authority could actually re-calculate it based upon the additional capital expenditures and raise its rates now. Waldron – Yes, if they choose to do so.

The Authority is not going to do that. The Authority is basing its connection fees on the calculation that was done in November 2023 based on the EDU model. Waldron – Yes.

This is a fair way to charge the connection fees and treat all users the same. Waldron, yes, all users are the same. It is the maximum calculation that could be charged to any of the dwelling units if they choose to do so, which is \$8,752 for water and \$2,324 for sewer.

Troy Burton, Executive Director – Mr. Burton stated he would like to make sure that these rates apply retroactively to the original meeting, since these rates are based on the 2025 year budget.

**PUBLIC
TESTIMONY**

There was no one present from the public.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 5:11 p.m.

Respectfully submitted,

Michele Kennedy
Executive Secretary