

LEHMUA
Regular Meeting

March 14, 2023

The regular meeting of the Little Egg Harbor Municipal Utilities Authority was held on March 14, 2023, 12:00 PM at the Authority headquarters, 823 Radio Road, Little Egg Harbor, New Jersey.

MEMBERS PRESENT: Margaret DePergola, Chairwoman; Joseph Koptic, Vice-Chair (via tele-conference) Marie Skelly, Treasurer; Kenneth Miller, Secretary; Peter Cicco; Christopher Filiciello

OTHERS IN ATTENDANCE: Earl F. Sutton, Jr., Executive Director; Michael S. DiFrancia, Superintendent; Nicole M. Princiotti, Executive Secretary/QPA; Trace Dittenhofer, Authority Engineer; Debra Rumpf, Esq., Authority Attorney

THOSE ABSENT: Kenneth Maxwell

OTHERS IN ATTENDANCE: None

Nicole M. Princiotti read the following statement:

In accordance with the Open Public Meetings Law, this meeting has been duly advertised in the Atlantic City Press and the Asbury Park Press, posted on the Authority bulletin board and posted and filed in the office of the Little Egg Harbor Township Clerk. Resolutions are posted on the Authority's bulletin board.

PRIOR MINUTES

A motion was made by Mr. Cicco, seconded by Mr. Miller to approve the minutes of the February 14, 2023 regular meeting. Roll call vote, Peter Cicco – yes, Kenneth Miller – yes, Marie Skelly – yes, Margaret DePergola – yes.

TREASURER'S REPORT

A motion was made by Mr. Miller, seconded by Mr. Cicco to approve the Treasurer's Report as submitted. Roll call vote, Peter Cicco – yes, Kenneth Miller – yes, Marie Skelly – yes, Joseph Koptic – yes, Margaret DePergola – yes.

BILLS RESOLUTION

A motion was made by Mr. Cicco, seconded by Mr. Miller to approve the operational account bills resolution as submitted. Roll call vote, Peter Cicco – yes, Kenneth Miller – yes, Marie Skelly – yes, Joseph Koptic – yes, Margaret DePergola – yes.

EXECUTIVE DIRECTOR'S REPORT

1 – Mr. Sutton advised the Board that he and Superintendent DiFrancia attended a Senior Advisory Committee meeting held at Tall Timbers on February 27, 2023. The meeting went well and we were able to provide a lot of information. He believes those that attended were pleased to have them there.

2 – Mr. Sutton stated that attached is a letter he sent to Congressman Van Drew requesting the assistance for funding. When we met with the Township Administrator they informed us that they would be meeting with the Congressman to inquire about any funding that may be available to them. We have not received a response yet.

3 – Mr. Sutton stated that included in the package, there is an updated list of Commissioners and Committee assignments.

4 – Mr. Sutton advised the Board that the bid packages have been completed for the chemicals, emergency repairs and supplies. The bids will be opened on April 13, 2023.

Mr. Sutton confirmed with Mrs. Princiotti that we are also participating in a Chemical Co-Op with Stafford township in hopes of saving some money on our chemicals this year.

Mrs. Princiotti stated that was correct.

5 – Mr. Sutton advised the Board that he would like to request a Budget Committee meeting this week with Mrs. Skelly and Mr. Miller. We have some tough decisions to make but he knows they will be up for that task. The intention is to introduce the budget at the April 11, 2023 meeting. This year the budget will be on time, and we won't be required to request an extension.

Mr. Sutton advised the Board that there will be a need for a rate increase as mentioned previously. It will certainly be justified with the information we provide the committee. Then the Budget Committee will come back to the Board of Commissioners with their recommendations. We will advertise for a public hearing and have a rate hearing at the Authority office. Mrs. Princiotti already has the hearing scheduled for May 30, 2023. It is anticipated that on June 13, 2023, we will formally adopt the budget and the rate increase will go into effect July 1, 2023.

6 – Mr. Sutton stated that once again he needs to add a reminder that anyone in arrears with their water and sewer charges between the period of March 9, 2020 and March 15, 2022, a person may contact the office to make installment arrangements. In addition, there may be other programs available for Low-Income assistance.

7 – Mr. Sutton advised the Board that there is one Customer Committee matter for this meeting.

Mr. Sutton explained the circumstances with regard to 310 Concord Court, and advised the Board that the Customer Committee recommends a one-time forgiveness of 50% of the overage charge.

8 – Mr. Sutton stated that there is no need for Executive Session.

A motion was made by Mr. Cicco, seconded by Mr. Miller to approve the recommendation and minutes of the Customer Committee. All in favor.

Mr. Sutton stated that there is one additional item not mentioned on the Executive Director's Report. If everyone recalls, Mr. Avalone would come to our board meeting and do a presentation to our Commissioners and the Authority would receive a credit would for each member that participated in the session. He is no longer doing that in person, however, there is a video that can be watched. We are going to make arrangements for this either prior to, or at the end of next month's meeting. This is beneficial and a cost savings to the Authority with MEL and JIF against our premiums.

Mr. Miller stated that he would like to add something. He had several calls and emails to him after the presentation Mr. Sutton and Mr. DiFrancia gave at the Senior Advisory Meeting commending them and the information provided.

Mr. Sutton stated that their goal was to be informal, but informative, and explain to the residents the reasons behind the rate increase. He has always stood behind the fact that he will be honest and forthcoming with the increases and justify the necessity. We will always be proactive with situations like this.

Mr. Sutton stated that the frustrating part is the back log of these projects and how long it is taking. He contacted our financial consultant today to provide an amortization schedule. We are taking on some major debt and it's frightening. If we had gotten the work done when we should have, we would be looking at 50% of what debt we are about to take on. It is very frustrating, there is no reason for it.

Mr. Sutton stated that he never talks percentages with regard to our rates. Because if you take our rates, which are so low, and you take a percentage on that it is going to seem like a lot. However, dollars and cents wise, it's not. Unfortunately, everyone has had increases.

Mr. Sutton stated that we do have to plan and make some tough decisions. We have to get this work done now, and later down the road, it's going to cost a lot more. He doesn't want to be in a position where we are worried about paying our debt service later. It would have been great if all along the Authority had adopted a \$1.00 a year increase. There were 16 years where there were no increases, you can't run a business that way. There was a lot of growth with developing going on in the town and expenses that were not be laid out by the Authority. But it catches up to you.

Mr. Sutton stated that was all for the Executive Director's Report unless there were any questions. There being none, a motion was made by Mr. Miller, seconded by Mr. Cicco to approve the Executive Director's Report as submitted. All in favor.

SUPERINTENDENT'S REPORT

1 – Mr. DiFrancia advised the Board that we are mandated by the State to calibrate all of our wells, we have eight in total. We are mandated to do this every five (5) years, but we try to complete this every two (2) to three (3) years. We had them all calibrated and are ready to submit them in order to remain in compliance with our Water Allocation Permit.

2 – Mr. DiFrancia advised the Board that unfortunately, on March 8, 2023 we experienced another sewer collapse along South Captain's Drive. The Authority Engineer recommended the current emergency contractor, Mathis Construction make the repairs. There is a resolution on the agenda with regard to this. It is recommended for adoption.

A motion was made by Mr. Cicco, seconded by Mr. Miller to approve Resolution #2023-13 declaring an emergency regarding the needed repair of the sanitary sewer line at South Captain's Drive. Roll call vote, Peter Cicco – yes, Kenneth Miller – yes, Marie Skelly – yes, Chris Filiciello – yes, Margaret DePergola – yes.

*During roll call, Mr. Koptic was no longer on the tele-conference, and in his place, Mr. Filiciello was called upon.

Mr. DiFrancia thanked the Board and stated that we typically prefer to do this type of work in-house, but we had previously scheduled fit testing for all the plant personnel, and quite a bit of work stacked up against us. Mathis did come in and they were in and out in one (1) day. There was approximately 64 feet of sewer main and when the job was finished, we had them fill the ditch and we are going to pave it in-house. We supplied them with all the material and necessary items in order to keep the bill at a minimum.

3 – Mr. DiFrancia advised the Board that the Authority has continued improvement at one of our oldest treatment plants; Well No. 6 off of Great Bay Boulevard. We put a new meter on the filter and on the backwash line. The backwash line having a meter on it keeps an eye on how many gallons of water we use during the backwashing process so we can report it to the State for accounted water. When you produce water, the State wants to know how many gallons are being pumped out of the ground. In turn they want to know the amount of water going through residential and commercial meters, the difference being all of the unaccounted water. We strive to get the lowest percentage of unaccounted water. We have to add in there our hydrant flushing, our backwash water and when we drop the water tower levels as well. The more meters we have on backwashing and items like this, gives us better accountability with where the water is going.

Mr. DiFrancia stated that with that, he and the Executive Director will be meeting with the fire companies, Ocean County Road Departments and the Forest Fire Service Departments.

Mr. DiFrancia stated that the County has the freedom to hook to any one of our fire hydrants throughout the town and take the water they need. We will be discussing with them designating certain hydrants and how we are going to track how many times they are filling up, whether that is by metering the usage or estimating based on the gallons of the tanker. The fire company would do the same thing. They do a lot of testing on their fire trucks and have the ability to hook to our hydrants. It is possible that there could be a unit on the truck that calibrates the actual water usage after a fire as well. This all helps monitor and reduce our rate of unaccounted water.

Mr. DiFrancia stated that last year our percent of unaccounted water was at 4.8%, where this year it is at 8.5%. It becomes an issue when you are above 15%. We want to keep this percent as low as possible, and we need to monitor where this water is going.

Mr. DiFrancia stated that the Township facilities that require water are metered, but we don't charge them. For instance the baseball fields, and township buildings all have meters calculating the water, but they aren't charged for it.

Mr. Filiciello asked that could the difference between last year's number and this year's number be based on what we aren't monitoring now?

Mr. DiFrancia stated that he believes the difference is due to actual usage. For instance, when homeowners have jumpers in their homes, and they remove the meter and put a jumper in.

Mr. Sutton stated that we think that's minimal.

Mr. DiFrancia agreed and stated that there is fire usage and maintenance on that usage as well.

Mr. Sutton stated that the street sweeper is a huge one, because it is used every day. Again, they hook to a hydrant and it's in all our numbers, but not specifically to the actual source.

Mr. Filiciello asked if we thought that they did that more the past year?

Mr. DiFrancia stated that he does. There have been a lot more projects going on. He explained that we have fire hydrant meters that we rent out for corporations who are involved in large projects. They pay ahead of time what they believe they will use in water, and then keep updated monthly with the usage readings. The projects being done by the Township, where they hire an outside contractor, we estimate how much water will be used. We don't have enough hydrant meters to hand out to everyone, so we estimate the usage. We don't charge the township for the usage, but still monitor the amounts.

Mr. DiFrancia stated that we have had a lot of maintenance in our system. When we have water main breaks, there is no way to monitor the amount of water when this happens.

Mr. Sutton stated that fire events are another source of unaccounted water, controlled burning as well. It is a good thing for us to perform this in-house. It isn't about charging for the usage, but rather monitoring it for the State. When we meet with the fire companies and the county, we will resolve a lot of this and have the ability to quantify at least 25% of it.

Mr. DiFrancia stated that even at over 8% this year, it is still remarkable.

Mr. Sutton stated that we pump over 550 million gallons over the entire year, so 8% in the scheme of things is not that much.

Mr. DiFrancia explained the most recent fire event, where he pulled up to the site, and there were several trucks pulling water off of two (2) hydrants, that can suck a main dry to the point of collapsing the main. Their engineer is on call to ensure that they don't run into a negative PSI.

Mr. DiFrancia explained that we have sensors all over town and if the PSI drops below 35, he is alerted and able to adjust the system to meet the needs.

Mr. Cicco asked if a lot of our water was used during the recent forest fire?

Mr. DiFrancia stated that there was, however, they fill their tanks up at their leisure, so it is not a sudden draw on our system. Even if it was, with the technology, we are able to see that immediately through the SCADA System and make the adjustments.

4 – Mr. DiFrancia advised that we are continuing with the upgrades to Well No. 6, and we have purchased and received a new chemical pump for the treatment of lime into our finished water. The chemical pump is the same as the one we have in operation at Well No. 12. This upgrade will greatly reduce several issues with the antiquated pump currently in service. We anticipate the installation some time this week. This work is also being done in-house in order to save our rate payers.

5 – Mr. DiFrancia stated that as a common routine practice we run every generator at each station to test each Tuesday. Prior to running these tests, we check the State website to check the air quality. If they are in the red we are not permitted to run emergency generators for maintenance. Of course, if it is an emergency we are permitted. When we run these for testing purposes and calibrate it we have to report how long they blow black smoke, actually document this and write it down. We are audited at least once a year by the Health Department which checks our permits and that we are performing the calibration and correctly performing the documentation.

Mr. DiFrancia stated that performing these tests are beneficial because just this morning, we were testing the generator at Pump Station No. 1 and found there was an issue. We were able to call Forked River Diesel and have them perform the necessary repairs.

6 – Mr. DiFrancia stated that he is proud to report that the State mandated testing of inorganics, secondaries, nitrates, iron and manganese, VOCs and 504.1s were completed with the majority collected in-house and sent out to Henderson Labs. Every third (3rd) year is a very large year for sampling purposes. We are out there for at least two to three days collecting samples. Our samples came back meeting or exceeding the NJDEP standards.

7 – Mr. DiFrancia stated that this item is not on his report but he wanted to mention that Well No. 10, which is an older version of our Well No. 12 has had some issues with regard to the flow rates and backwash rates. After researching it, we went in and re-calibrated it and re-adjusted all the actuators on the filters. We found on one of the actuators that the gears were shot, so we sent one of our employees up to Edison to pick up a new one. One valve, which there are nine on each filter cost the Authority \$4500. That was installed this week, but it is back up and running. Hopefully there will be no issues now. We will be testing the media at this facility over the next month. The media was replaced over seven (7) years ago.

8 – Mr. DiFrancia stated that his Work Order Management Report has been submitted and reviewed the information.

Mr. DiFrancia stated that was all for his report unless there were any questions. There being none, a motion was made by Mr. Cicco, seconded by Mr. Miller to approve the Superintendent's Report as submitted. All in favor.

ENGINEER'S REPORT

Mr. Dittenhofer stated that his report has been submitted and he would like to go over a few items.

Mr. Dittenhofer stated that with regard to Mystic Islands Phase II Water and Sewer, we submitted our New Jersey Division of Land Use Jurisdictional Determination and he actually made contact with the person responsible for reviewing the application. They commented on how thorough it was and that it was administratively complete. They promised that they were expediting this, so we are hoping to hear back from them shortly.

Mr. Dittenhofer stated that with regard to Phase III, as everyone remembers, we revised the service area plan of that entire section in order to help make it more cohesive. We have some minor revisions to make and once we do that, we will make application to the State.

Mr. Dittenhofer stated that was all unless there were any questions. There being none, a motion was made by Mr. Cicco, seconded by Mr. Miller to approve the Engineer's Report as submitted. All in favor.

ATTORNEY'S REPORT

Mrs. Rumpf advised the Board that her report has been submitted and she would be happy to answer any questions at this time.

There being none, a motion was made by Mr. Cicco, seconded by Mr. Miller to approve the Attorney's Report as submitted. All in favor.

A motion was made by Mrs. Skelly, seconded by Mr. Miller to accept and file general correspondence. All in favor.

A motion was by Mr. Miller, seconded by Mrs. Skelly to open this portion of the meeting to the public. All in favor.

There being no public in attendance, a motion was made by Mr. Cicco, seconded by Mr. Miller to close this portion of the meeting to the public. All in favor.

There being nothing further to come before the Board, a motion was made by Mr. Cicco, seconded by Mr. Miller to adjourn. All in favor.



Kenneth Miller, Secretary