

**LEHMUA
Regular Meeting**

April 8, 2025

The regular meeting of the Little Egg Harbor Municipal Utilities Authority was held on April 8, 2025 at 12:00 PM at the Authority headquarters, 823 Radio Road, Little Egg Harbor, New Jersey.

MEMBERS PRESENT: Kenneth Miller, Chairman, (via tele-conference); Marie Skelly Treasurer; Peter Cicco, Secretary (via tele-conference); Kenneth Maxwell (via tele-conference); Suzanne Musto-Carrara

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

THOSE ABSENT: Margaret DePergola, Vice-Chairwoman; Christopher Filiciello

PUBLIC 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 Mrs. Skelly to approve the March 11, 2025 minutes of the Authority's regular meeting. Roll call vote, Suzanne Carrara – yes, Kenneth Maxwell – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

TREASURER'S REPORT

A motion was made by Mr. Cicco, seconded by Mrs. Musto-Carrara to approve the Treasurer's Report as submitted. Roll call vote, Suzanne Carrara – yes, Kenneth Maxwell – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

BILLS RESOLUTION

A motion was made by Mrs. Skelly, seconded by Mr. Cicco to approve the operational account bills resolution. Roll call vote, Suzanne Carrara – yes, Kenneth Maxwell – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

EXECUTIVE DIRECTOR'S REPORT

1 – Mr. Sutton advised the Board that we will be introducing the water and sewer budgets for the fiscal year July 1, 2025 through June 30, 2026. He had an extensive meeting with the Budget Committee on Thursday March 27, 2025 to discuss the components of the budget.

Mr. Sutton stated that there is a confidential memo with more elaborate detail, and asked that the Board keep it confidential.

Mr. Sutton stated that health insurance rates have substantially increased, with last year having a 17% increase. Unfortunately, we are preparing the budget and the expenses now, and the new increase for the health insurance premiums is not released until October of this year, after we have struck our budget for the current year. He expressed that the cost of health insurance is getting more and more ridiculous, and he isn't sure how to contain those costs. Our employees do contribute a substantial portion on a weekly basis.

Mr. Sutton stated that we are also moving forward with these capital projects and that is going to add future debt service. The good news is on this last project we estimated \$7,000,000 in total cost and we ended up getting \$4,000,000 in principal forgiveness, meaning we do not have to pay that money back.

Mr. Sutton explained that we are considered an economically disadvantaged area. He believes that the median income they look at is \$96,000 for a family, and currently we are around \$86,000 for Little Egg Harbor Township.

Mr. Sutton stated that they have recently revamped IBANK and will be incorporating FEMA related projects and review some mitigation issues as well.

Mr. Sutton stated that the introduced budget will have a minor increase of \$2.00 per quarter for water and \$2.00 per quarter for sewer for a total of \$16.00 per year combined. Resolutions #2025-15, 2025-16 and 2025-17 will be presented and approval is recommended.

Mr. Sutton stated that he is always cognizant of our rate increases as we keep up with that, but he is not going to bank on the principal forgiveness especially in light of all federal funding being reduced across the country.

2 - Mr. Sutton thanked the Finance Committee for meeting and to Mrs. Princiotti and our Auditor Brian Logan for their work to submit the budget to the State for approval. We anticipate being able to adopt the budget on May 13, 2025. A public rate hearing will be required in the future with the rate and new charges to go into effect July 1, 2025.

3 – Mr. Sutton stated that Resolution #2025-18 will be presented authorizing Michael DiFrancia, Superintendent to continue the practice of executing Purchase Orders for the Authority. This is an updated resolution to also support Mr. DiFrancia's ability to sit for the State certification exam as a Qualified Purchasing Agent. This certification is already held by Mrs. Princiotti, but will ensure the continued ability to benefit from the certification in the future. Approval is recommended.

4 – Mr. Sutton stated that this morning, an online auction was held in an attempt to get the best possible utility rates for electricity in the future. We have done this multiple times in the past and it has benefited our rate payers substantially. With electricity costs slated to skyrocket in the next year and into 2026, it is nearly impossible to budget for these types of increases.

Mr. Sutton advised the Board that right now we are paying \$0.11390 for our portion of the electric supply. This morning it started at \$0.13265, and it's only a five (5) minute auction. The rate ended at \$0.11820 which will lock us in for the next two (2) years. We use a total of 1,456,076 kilowatts per year, so this will be an increase of about \$6300 annually. Starting point to the ending point it's about a \$40,000 difference in savings.

Mr. Sutton stated that Resolution #2025-19 is on the agenda authorizing the execution of the agreement with EMEX Company. Approval is recommended.

5 – Mr. Sutton stated that the Authority is waiting approval of the last requisition submittal for Phase II of the water and sewer main project. It is anticipated that there will only be one or two more to ultimately closeout the short-term funding on the project.

6 – Mr. Sutton stated that he is very happy to report that we have received a construction permit for Phase III. Mr. Dittenhofer will provide more information in his report.

7 – Mr. Sutton stated that there are no customer committee matters, or need for executive session.

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

SUPERINTENDENT'S REPORT

1 – Mr. DiFrancia advised the Board that Phase II of the Authority's Infrastructure Rehabilitation Plan has come to completion. In total, approximately 10,000 LF of new water main and 10,000 LF of sanitary sewer including manholes were installed. The contractor is working on final restoration and punch list items for the various properties disturbed during the installation of the new water and sewer services to approximately 370 homes.

Mr. DiFrancia stated that the restorations include concrete driveways, paver restorations, decorative stone, re-setting of timbers and top-soiling and seeding. Due to foreseeable length of time between the Authority's completion and the Township's paving completion, the Authority felt it best to improve the roadway quality by milling and paving a drivable lane down each street. This was meant as a temporary fix and all residents have been notified via postal mail.

2 – Mr. DiFrancia advised the Board that during the Township's NJDEP audit for their Transient Non-Community Water System, it was enforced that the Township take action for an artesian well at the end of Dock Street. The Authority put the Township in touch with AC Schultes, Inc. to perform an inspection by televising the well and assessing for possible abandonment. Prior to the contractor mobilizing to begin the requirements of the NJDEP, he noted there were will be issues with obstruction within the well casing. In an effort to keep costs down for the Township, he and the Authority personnel mobilized with our jet vac truck to effectively clear the obstructions. With the obstructions now cleared, the Township's contractor can proceed with their inspection and provide recommendations to satisfy the NJDEP.

3 – Mr. DiFrancia stated that in anticipation of moving quickly and completing the work before "peak demand" is upon us, the Authority advertised and held a bid opening earlier this morning for the much needed maintenance and upgrades of Well No. 13 on Osbourne Island. Resolution

#2025-20 is on the agenda awarding the contract to AC Schultes, Inc for the Well No. 13 Pump Maintenance and Upgrades. Approval is recommended.

4 – Mr. DiFrancia stated that annual hydrant flushing is underway. As of today, approximately 35% if the 524 hydrants in the system have been flushed, exercised, evaluated and routine maintenance has been performed to assure they are in proper working condition. As anticipated, flushing should be completed by May 23, 2025.

5 – Mr. DiFrancia advised the Board that his work order management report is attached and reviewed the items.

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 Mrs. Carrara approving the Superintendent's Report as submitted. All in favor.

Mr. DiFrancia left the meeting at this time as he was not feeling well.

ENGINEER'S REPORT

Mr. Dittenhofer stated that his report has been submitted with the Board's packages and he would like to review a couple of items.

Mr. Dittenhofer stated that with regard to Phase II of the Mystic Islands Water and Sewer Main Project, as the Superintendent mentioned, the project is complete with minor restoration to be performed. Our office is finishing up the record drawings and those are anticipated to be completed at the end of this month.

Mr. Dittenhofer stated that with regard to Phase III of the Mystic Islands Water and Sewer Main Project, we have received approval from the State to publish the bid schedule. Unfortunately, we have not received approval from the engineering department. For those of you who remember SED approval is the most difficult to obtain and that was our first approval. Rest assured our office and the Authority is doing everything we can to move this project along.

Mr. Dittenhofer stated that we are six (6) months waiting for approvals and he has sent several emails that have been shared with the Executive Director in which we get no response from the State. They are very difficult to communicate with. It's inappropriate the way the delay these projects and the implications that come along with it.

Mr. Dittenhofer stated that the next item is the Well No. 13 Rehabilitation. We had a bid opening this morning. There was one (1) bidder, AC Schultes in the amount of \$139,500.00. His firm recommends award of the bid subject to the Attorney's review.

Mr. Dittenhofer advised the Board that as mentioned by the Superintendent, his office is working with the Authority preparing specifications for Well No. 6, and is hoping to advertise early to mid-April.

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

ATTORNEY'S REPORT

Mrs. Rumpf stated that she has submitted her report and would be happy to answer any questions.

Mr. Sutton thanked Mrs. Rumpf for her continued help with the cellular lease issues.

There being no further questions or comments, a motion was made by Mr. Cicco, seconded by Mrs. Skelly to approve the Attorney's Report as submitted. All in favor.

Mr. Sutton stated that we could take the resolutions at this time.

A motion was made by Mrs. Skelly, seconded by Mr. Cicco to approve Resolution #2025-15 introducing the combined water and sewer budget for the fiscal year, July 1, 2025 through June 30, 2026. Roll call vote, Suzanne Carrara – yes, Kenneth Maxwell – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

A motion was made by Mr. Cicco, seconded by Mrs. Skelly to approve Resolution #2025-16 introducing the water budget for fiscal year, July 1, 2025 through June 30, 2026. Roll call vote, Suzanne Carrara – yes, Kenneth Maxwell – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

A motion was made by Mr. Cicco, seconded by Mrs. Skelly to approve Resolution #2025-17 introducing the sewer budget for the fiscal year July 1, 2025 through June 30, 2026. Roll call vote, Suzanne Carrara – yes, Kenneth Maxwell – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

A motion was made by Mr. Cicco, seconded by Mrs. Carrara approving Resolution #2025-18 authorizing Michael DiFrancia to continue the execution of purchase orders for the Authority. Roll call vote, Suzanne Carrara – yes, Kenneth Maxwell – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes

A motion was made by Mrs. Skelly, seconded by Mr. Cicco to approve Resolution #2025-19 authorizing the purchase of electricity supply services for public use on an online auction website. Roll call vote, Suzanne Carrara – yes, Kenneth Maxwell – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

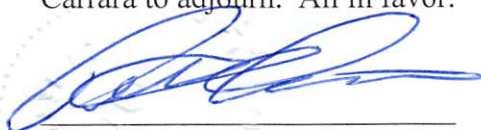
A motion was made by Mrs. Skelly, seconded by Mr. Cicco approving Resolution #2025-20 awarding bid to AC Schultes for the rehabilitation of Well No. 13 in the amount of \$139,500.00. Roll call vote, Suzanne Carrara – yes, Kenneth Maxwell – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes

A motion was made by Mr. Cicco, seconded by Mrs. Carrara to accept and file all general correspondence. All in favor.

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

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

With nothing further to come before the Board, a motion was made Mr. Cicco, seconded by Mrs. Carrara to adjourn. All in favor.



Peter Cicco, Secretary

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