

LEHMUA
Regular Meeting

February 10, 2026

The regular meeting of the Little Egg Harbor Municipal Utilities Authority was held on February 10, 2026 at 12:00 PM at the Authority headquarters, 823 Radio Road, Little Egg Harbor, New Jersey.

MEMBERS PRESENT: Kenneth Miller, Chairman; Marie Skelly Treasurer; Peter Cicco, Secretary; Kenneth Maxwell (via tele-conference); Arlene Keenan; 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: None

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.

RE-ORGANIZATION

Mr. Sutton advised the Board that we would address Re-organization at this time and that we need to appoint a temporary Chairperson for this portion of the meeting.

Mr. Miller asked for a motion to appoint Mrs. Princiotti as temporary Chairperson.

A motion was made by Mr. Cicco, seconded by Mrs. Keenan appointing Mrs. Princiotti as Temporary Chairperson. All in favor.

Mrs. Princiotti thanked the Board and asked for a nomination for Chairperson.

Mr. Cicco nominated Mr. Miller, seconded by Mrs. Keenan.

Mrs. Princiotti asked if there were any additional nominations. There being none, roll call vote was taken appointing Mr. Miller to the position of Chairman. Roll call vote, Christopher Filiciello – yes, Kenneth Maxwell – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

Mr. Miller accepted the nomination and was congratulated by the Board.

Mrs. Princiotti turned the meeting back over to Mr. Miller.

Mr. Miller asked for a nomination for Vice-Chair.

Mrs. Skelly nominated Mr. Cicco to the position of Vice-Chair, seconded by Mr. Filiciello. Roll call vote, Christopher Filiciello – yes, Kenneth Maxwell – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

Mr. Cicco accepted the nomination and thanked the Board.

Mr. Miller appointed Mr. Maxwell as Treasurer, and Mrs. Skelly as Secretary.

Mr. Miller advised the Board that Committee assignments will be completed and provided at the March meeting.

PRIOR MINUTES

A motion was made by Mr. Cicco, seconded by Mrs. Skelly to approve the January 6, 2026 minutes of the Authority's regular meeting. Roll call vote, Christopher Filiciello – 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. Skelly to approve the Treasurer's Report as submitted. Roll call vote, Christopher Filiciello – yes, Kenneth Maxwell – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

BILLS RESOLUTION

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

EXECUTIVE DIRECTOR'S REPORT

1 - Mr. Sutton congratulated Mr. Miller and the other officers of the Authority's Board. On behalf of he and his staff, he expressed his gratitude and pleasure working with everyone, and he's looking forward to the future. He wished Suzanne Carrara the best of luck in her position as a Township Committee-person. She was an asset to this Board in her short time with us, and she will be missed.

2 – Mr. Sutton stated that budgeting for the fiscal year is moving forward and he will be scheduling a meeting with the Budget Committee this month to be ready for introduction of the budget at the March meeting.

3 – Mr. Sutton stated that today we will be discussing the final audit for fiscal year ending June 30, 2025. Brian Logan our Auditor is joining us today via tele-conference to discuss a few highlights. As expected, there were no material deficiencies noted and full cooperation was granted by the Authority. A very special thank you to Nicole Princiotti during this time. She is very deliberate in providing anything necessary to Mr. Logan and his staff. He thanked Mr. Logan for his invaluable assistance as well.

Mr. Sutton stated that we could take a break in his report and continue with Mr. Logan and his comments with regard to the Audit.

Mr. Logan began by explaining there were three (3) letters with the audit. The first letter is known as the report on the financial statements under generally accepted auditing standards. That is an “unmodified or clean opinion.” You can see that in there where it reads “Presents fairly in all respects.” That is the highest level you can achieve on your financial statements, and the Authority achieved that.

Mr. Logan stated that the second letter refers to the internal controls over financial reporting, compliance and other matters. This relates to having internal control policies and procedures in place that will produce a reasonable set of financial statements. That being said we did not identify any material deficiencies in the internal control and reporting, or instances of non-compliance that would be required to report under government auditing standards.

Mr. Logan stated that the third letter has to do with the federal grant project through the IBank. He explained that when you have expenditures in excess of \$750,000, you are required to have a single audit. This letter relates to this single audit and states that the Authority was in compliance with the requirements applicable to the major projects. Specifically, this is the water and sewer main replacement project. Essentially this letter states that all compliance matters required were met for the grant.

Mr. Logan stated that next on the list is the Assets and Liabilities. You will see that the assets increased to \$4,207,896. Most of this is attributed to the infrastructure that has been put in place through the water and sewer main replacement.

Mr. Logan stated that similarly the liabilities increased to \$5,144,129. Most of that is associated with the debt that is incurred as a result of the water and sewer main replacement infrastructure.

Mr. Logan stated that under the Comments and Recommendations Section, he did not have any comments or recommendations of requirements that were not met by the Authority. There were no material deficiencies or discrepancies that needed to be disclosed.

Mr. Logan stated that he would be happy to answer any questions.

Mr. Sutton also reiterated that we are in an excellent financial position. Our savings are generating a good rate of return and as indicated by Mr. Logan we have improved our cash position. Our expenses have gone up for various reasons.

Mr. Sutton stated that with the OCUA, these are fees that we collect from our rate payers that goes directly to OCUA. We get billed about 2 million dollars a year, so all we are doing is collecting that money and paying them even though it's part of the operating budget.

Mr. Sutton stated that the Audit Report is what was expected. We pride ourselves in doing things the right way and that there are no material deficiencies. He assured everyone here that we are in an excellent financial position. With that being said we are going to be taking on additional debt service with the aging infrastructure. Since he has been here, we have moved forward and have spent a lot of money but it was absolutely necessary and we are going to continue to do so.

Mr. Sutton asked Mr. Logan if he had any additional comments.

Mr. Sutton thanked Mr. Logan and stated that the full report is in his office, and welcomed the commissioners the ability to make an appointment with him to review it.

Mr. Sutton stated that the good news is we are generating that additional revenue and thanked Mrs. Princiotti for keeping an eye on that with our money market accounts with regard to liquidity. We were generating in excess of 4.5% which is not like the day's past, but still good for right now.

Mr. Sutton also stated that the reason we keep getting these loans is because we are getting such low interest rates and on the last project our interest rate is 1.5% for 30 years. In addition to that, Phase II of the project we are qualified for principal forgiveness in the amount of 4 million dollars. Ultimately this will help offset the debt service payment on the principal side. Hopefully that will continue moving forward, but those funds may dry up from the federal government coming down into the state.

Mr. Sutton asked if there were any other questions for Mr. Logan. There being none, Mr. Logan thanked the board and left the tele-conference portion of the meeting.

4 – Mr. Sutton stated that Resolution #2026-03 is on the agenda concerning the professional appointments for the ensuing year. Approval is recommended.

5 – Mr. Sutton stated that Resolution #2026-04 is on the agenda to accept the certified audit from the prior fiscal year. Approval is recommended.

6 – Mr. Sutton stated that Resolution #2026-05 is on the agenda approving a conversion of our health insurance benefits to NJ Solutions Joint Insurance Fund. This will provide a reduction in our annual premiums by \$104,000 for the first year and there will be anticipated continued savings in the future. The coverage is equal to or better than the current coverage provided to our employees and retirees. The new plan will become effective May 1, 2026.

Mr. Sutton stated that putting it in perspective, the insurance rates have gone up 35% year over year, and we aren't the only ones this has impacted, but we can't afford to keep up with the costs..

Mr. Sutton stated it's good because it's a three-year window and we will execute it with them. Their group rates have increased about 13-14% each year, so it's a bit more manageable. We won't have issues with the current Collective Bargaining Agreement because the coverage is equal or better than what we currently have.

7 – Mr. Sutton stated that Resolution #2026-06 is on the agenda amending and adopting the current job description manual. The only changes were to separate the position of Mark-out/Right-to-know Coordinator to one for Mark-out Coordinator and one for Right-to-know Coordinator. The Mark-out Coordinator is a full-time permanent hourly position and the Right-to-know coordinator is a part time position. Duties for this position only, are performed with an annual stipend being paid to a current employee of the Authority. Approval is recommended.

8 – Mr. Sutton advised the Board that Resolution #2026-07 is on the agenda appointing Mateo Mena to the position of Mark-out Coordinator. Approval is recommended.

9 – Mr. Sutton stated that Resolution #2026-08 is on the agenda hiring Michael LoPiccolo to the position of Utility Worker. Approval is recommended.

10 – Mr. Sutton advised the Board that Resolution #2026-11 is on the agenda authorizing termination of the participation in the State Health Benefits Program effective May 1, 2026. Approval is recommended.

11 – Mr. Sutton stated that there are no customer committee matters, nor a need for executive session.

That is all for his Executive Director's Report unless there are 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.

PERSONNEL COMMITTEE

Mr. Sutton stated that the minutes for the Personnel Committee is attached and reviewed them with the Board.

A motion was made Mrs. Skelly, seconded by Mr. Filiciello to approve the Personnel Committee Report as submitted. All in favor.

SUPERINTENDENT'S REPORT

Mr. DiFrancia began by congratulating all of the officers.

1 – Mr. DiFrancia advised the Board that as part of the mandated NJDEP Allocation Reporting of Water Use for 2025, the Authority assisted the Pinelands Regional High School in documenting, calculating and submitting to the state correct water usage from the high school's various field irrigation wells they own and operate. It was discussed for more precise monitoring and record keeping, the school's system be integrated into the Authority's current meter program.

2 – Mr. DiFrancia advised the Board that the annual iron, manganese and VOC samples have been completed and all samples are in compliance with all State and Federal Regulations. Results have been acknowledged by the NJDEP and posted on their website.

3 – Mr. DiFrancia advised the Board that as mandated by the NJDEP, we are required to have physical inspections of our sanitary sewer facilities including review of various records and systems information. He met with Mr. Alex Morris of the NJDEP and as part of the visit, we toured all of our pumping stations and went over all of the required information necessary to satisfy the visit. He is happy to report that Mr. Morris was more than impressed with the Authority's operations and looks forward to returning.

4 – Mr. DiFrancia stated Resolution #2026-09 is on the agenda for the request of an additional 60-day contract extension for Derstine Company, LLC for the completion of the Well No. 6 Filter Replacement. Concurrent projects will not allow for pumping Well No. 6 to come off-line until completed. Our engineer's letter is attached and recommendation is recommended.

5 – Mr. DiFrancia stated that Resolution #2026-10 is on the agenda concerning the emergency repair on North Spinnaker Drive. On February 5, 2026 and 8" ACP gravity sanitary sewer main collapsed and caused a blockage on North Spinnaker Drive near house #s 101-110. This collapse occurred on a portion of the sanitary sewer main that is over seven (7) feet deep. Our emergency contractor, Crest Construction was dispatched to the site to assist the Authority's personnel with the emergency repair. Per the recommendation of the Authority's engineer the collapse was declared an emergency for immediate repair. The engineer's letter is attached and approval is recommended.

6 – Mr. DiFrancia stated that his work order management report is attached and reviewed it with the Board.

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. Skelly to approve the Superintendent's Report as submitted. All in favor.

ENGINEER'S REPORT

Mr. Dittenhofer thanked the Board for having him and congratulated the officers. There are a few things he would like to review from his report.

Mr. Dittenhofer stated that in terms of capital projects, the first item is Mystic Island Phase II Water and Sewer Main Replacement Project, he believes there are a few minor close-out documents for H2 Loans, state funding and the long-term loan processes.

Mr. Dittenhofer stated that with regard to Mystic Island Phase III Water and Sewer Main Replacement, the environmental decision documents are under supervisory review. The engineering decision document is forthcoming and the SED has already been received for water, not sewer.

Mr. Dittenhofer stated that the Well No. 13 Rehabilitation is being completed before the end of March. We have pushed around some projects because of the timing of the projects the Authority is doing.

Mr. Dittenhofer stated that with regard to Well No. 6, there is a secondary 60-day contract extension which is being recommended by his office. As the Superintendent mentioned we are pushing this project back as not to disturb the water system with the other projects being completed by the Authority at this time.

Mr. Dittenhofer stated that with regard to Well No. 13 Contact Tank, the work has been substantially complete and the well is operational.

Mr. Dittenhofer stated that the Sea Oaks Water Tower Rehabilitation was completed last fall and we received the one-year inspection of the tank from the contractor. There are some deficiencies that should be rectified. Our expectation with regard to the provisions have been made clear with the contractor. The Authority is going to complete their own independent 2-year inspection.

Mr. Dittenhofer stated that the final item on his report is for the emergency declaration of the sewer collapse on North Spinnaker. As mentioned by the Superintendent, his office prepared a letter to accompany the resolution.

Mr. Dittenhofer stated that there is one final item not on his report, and that is the granting of tentative sewer compliance for 1310 North Green Street. This doesn't require any formal action by the Authority.

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 Mr. Filiciello to approve the Engineer's Report as submitted. All in favor.

ATTORNEY'S REPORT

Mrs. Rumpf began by congratulating the new officers.

Mrs. Rumpf stated that her report has been submitted and mostly entails communications as it relates to the wireless communication litigation.

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

Mr. Miller stated that we can take the resolutions at this time.

A motion was made by Mrs. Skelly, seconded by Mr. Cicco to approve Resolution #2026-03 Authorizing professional appointments for the Little Egg Harbor Municipal Utilities Authority. Roll call vote, Christopher Filiciello – yes, Arlene Keenan – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

It is noted that Mr. Maxwell was not on the tele-conference, but was making an attempt to re-connect. Mrs. Keenan was called upon in his place.

A motion was made by Mr. Cicco, seconded by Mrs. Skelly to approve Resolution #2026-04 authorizing the certification of the Authority's Annual Audit for fiscal year July 1, 2024 through June 30, 2025. Roll call vote, Christopher Filiciello – yes, Arlene Keenan – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

A motion was made by Mrs. Skelly, seconded by Mr. Cicco to approve Resolution #2026-05 authorizing the Authority to join the NJ Solutions Joint Health Insurance Fund. Roll call vote, Christopher Filiciello – yes, Arlene Keenan – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

A motion was made by Mr. Filiciello, seconded by Mr. Cicco to approve Resolution #2026-06 adopting an updated employee job description manual. Roll call vote, Christopher Filiciello – yes, Arlene Keenan – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

A motion was made by Mr. Cicco, seconded by Mr. Filiciello to approve Resolution #2026-07 promoting Mateo Meena to the position of Mark-out Coordinator. Roll call vote, Christopher Filiciello – yes, Arlene Keenan – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

A motion was made by Mr. Cicco, seconded by Mr. Filiciello to approve Resolution #2026-08 hiring Micheal LoPiccolo to the position of Utility Worker. Roll call vote, Christopher Filiciello – yes, Arlene Keenan – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

A motion was made by Mrs. Skelly, seconded by Mr. Cicco to approve Resolution #2026-09 granting a sixty (60) day extension to Derstine Company, LLC to complete Well No. 6 Filter Replacement. Roll call vote, Christopher Filiciello – yes, Arlene Keenan – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

A motion was made by Mr. Cicco, seconded by Mrs. Skelly to approve Resolution #2026-10 declaring an emergency repair of a sewer collapse at North Spinnaker Drive. Roll call vote, Christopher Filiciello – yes, Arlene Keenan – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

A motion was made by Mr. Cicco, seconded by Mrs. Skelly to approve Resolution #2026-11 authorizing the termination of participation in the State of New Jersey Health Benefits Program Roll call vote, Christopher Filiciello – yes, Arlene Keenan – yes, Peter Cicco – yes, Marie Skelly – yes, Kenneth Miller – yes.

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

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

Mr. Miller asked if there was anything else to come before the Board. There being nothing, a motion was made by Mr. Cicco, seconded by Mrs. Skelly to adjourn the meeting. All in favor.



Peter Cicco, Vice-Chairman