

In the Matter of:  
MT LAUREL MUA PUBLIC RATE HEARING

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*January 17, 2019*

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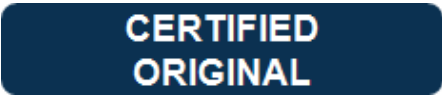
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MOUNT LAUREL TOWNSHIP  
MUNICIPAL UTILITIES AUTHORITY  
PUBLIC RATE HEARING

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Transcript of the proceedings in the above-captioned matter taken at the Water Treatment Plant Facility Meeting Room, 41 Elbo Lane, Mount Laurel, New Jersey, on Thursday, January 17, 2019, commencing at approximately 6:10 p.m., before JANICE D. BURNES, a Registered Professional Reporter, Certified Court Reporter, and Notary Public, pursuant to notice.

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IN ATTENDANCE

Chairwoman: Cheryl Coco-Capri  
Vice Chairman: John Francescone  
Secretary: Elwood Knight  
Member: Christopher Smith  
Member: Dennis Riley  
Executive Director: Pamela J. Carolan  
Safety/Human Resources: Brian Scott  
Auditor: Michael Cragin  
Financial Advisor: Neil Grossman  
Finance Director: David Wiest  
Solicitor: Evan Crook  
Consulting Engineer: Russell Trice  
Operations Engineer: Robert Adler  
Stenographer: Theresa Trumbetti

(Exhibits attached)

1 MS. COCO-CAPRI: The meeting is now called  
2 to order.

3 May I have roll call, please?

4 (Roll call taken.)

5 MS. COCO-CAPRI: Please stand for the  
6 pledge of allegiance.

7 (Pledge of allegiance.)

8 MS. COCO-CAPRI: Let the minutes reflect  
9 that the notice requirements of the Open Public Meetings  
10 Act has been satisfied.

11 Notice has been transmitted to two  
12 newspapers. It has been prominently posted on the  
13 municipal bulletin board and filed with the Mount Laurel  
14 Township clerk.

15 We will now have the swearing in of our  
16 new board member Dennis Riley.

17 (Mr. Riley sworn in.)

18 MS. COCO-CAPRI: We will now commence the  
19 presentation of our proposed rate schedule.

20 Pursuant to the requirements of the  
21 Municipal and County Utilities Authority Law, N.J.S.A.  
22 40:14B-1 et seq., the Mount Laurel Township Municipal  
23 Utilities Authority, MUA, is conducting this public  
24 hearing for the purpose of receiving public comment on  
25 proposed adjustments to the customer charge component of

1 our water user fees, connection fees for water and sewer,  
2 and our ancillary fee schedule.

3 I would like to mention at the outset that  
4 there are no proposed changes to the volume charge  
5 component of our water user fees, nor any of our sewer  
6 user fees.

7 The Authority's long-term approach to  
8 rates has allowed us to grow and improve our systems and  
9 facilities while remaining fiscally sound. The benefits  
10 to this are the ability to provide products of consistent  
11 quality and responsive services to our customers, void of  
12 poorly maintained infrastructure that typically requires  
13 emergency -- and often more expensive -- repairs and  
14 replacement. This translates into better service for our  
15 customers as poorly maintained systems are prone to much  
16 more frequent disruptions of service.

17 The two major sources of Authority revenue  
18 are user fees and connection fees. Each of these has an  
19 impact on the Authority's rates.

20 Through operational and administrative  
21 efficiencies, negotiation of beneficial contracts,  
22 maintaining facilities and infrastructure in good order,  
23 eliminating and restructuring outstanding debt  
24 obligations and other factors, the MUA has kept its rates  
25 at reasonable levels over the years, and, in fact, has

1 gone six years without implementing any rate increases at  
2 all.

3           Calendar years 2016, 2017 and 2018 saw  
4 successive drops in the total gallons of water delivered  
5 to our ratepayers. Even as the number of billing  
6 accounts grew each year, the amount of water being used  
7 by our ratepayers declined.

8           This was a major contributor to the MUA's  
9 water utility operating at a loss over the 2016 through  
10 2018 fiscal years.

11           With this in mind, the MUA feels it is  
12 appropriate to take steps towards insulating itself from  
13 the unpredictability of the revenues derived from water  
14 usage.

15           Therefore, we propose a very modest  
16 increase in the customer charge component of the water  
17 fees, which is the set monthly charge based on the size  
18 of the water meter servicing the property. This will  
19 result in more stable and predictable water revenues  
20 moving forward.

21           To illustrate the impact this increase  
22 would have on a typical residential customer with both  
23 water and sewer services and using approximately 5,000  
24 gallons per month, a monthly bill will go from \$62.40 to  
25 \$63.22, an increase of 82 cents per month in the first

1 year. In the second year, the charge will be an  
2 additional 91 cents per month, and in the third year the  
3 charge will be an additional \$1.01 per month.

4 The MUA will also be adjusting its  
5 connection fees. The current connection fees have not  
6 been adjusted since 2008, 11 years ago.

7 The MUA intends to set these fees at the  
8 amounts established using the calculation method  
9 prescribed by New Jersey State Law, N.J.S.A. 40:14B-21  
10 for water and B-22 for sewer, et seq.

11 Basically, this calculation determines the  
12 amount a new connector should pay for the right to  
13 connect to the MUA's water and/or sewer systems.

14 It establishes the amount representing a  
15 new connector's fair share payment toward the accumulated  
16 equity in the MUA's infrastructure.

17 The MUA will comply with any requirements  
18 prescribed by law concerning reductions and/or credits to  
19 be applied in the calculation and assessment of  
20 connection fees.

21 The MUA will extend a 50 percent  
22 connection fee reduction to homes, residential  
23 communities and businesses existing prior to February  
24 2019 which are currently serviced by private wells and/or  
25 septic systems.

1                   Finally, the MUA will be adjusting its  
 2 ancillary fee schedule. Again, the current fees have  
 3 been in effect since 2008.

4                   These ancillary fees are for miscellaneous  
 5 items such as special handling of accounts, hourly labor  
 6 charges, charges for permits and applications,  
 7 inspections, testing fees for water meters, vehicle  
 8 charges, materials and supplies, record drawings and a  
 9 host of other minor items.

10                   Over the past 30 years, the Authority's  
 11 progressive approach to rates, its aggressive capital  
 12 improvement program and its efforts to keep costs in  
 13 check have created water and sewer utilities that are  
 14 well-established, well-maintained and fiscally sound.

15                   In order to continue providing the high-  
 16 quality services the MUA strives to deliver and Mount  
 17 Laurel residents and businesses expect, rate increases  
 18 are necessary from time to time.

19                   It is proposed that the new rates  
 20 discussed in this public statement become effective in  
 21 February 2019.

22                   Schedules reflecting the new user,  
 23 connection and ancillary fees are submitted as exhibits  
 24 and appended to this public hearing statement. Packets  
 25 containing printouts of all fees have been made



1 available.

2 With this, I will have a motion to open up  
3 public comment.

4 MR. FRANCESCONE: So moved.

5 MR. RILEY: Second.

6 MS. COCO-CAPRI: Motion by  
7 Mr. Francescone, seconded by Mr. Riley.

8 All in favor?

9 (All state "aye.")

10 MS. COCO-CAPRI: Motion approved.

11 For the record, there is no one in the  
12 public who wishes to speak on this rate hearing.

13 I will ask for a motion to close the  
14 public portion for the rate hearing.

15 MR. KNIGHT: So moved, Madam Chairwoman.

16 MR. SMITH: Second.

17 MS. COCO-CAPRI: Motion by Mr. Knight,  
18 seconded by Mr. Smith.

19 All in favor?

20 (All state "aye.")

21 MS. COCO-CAPRI: Motion approved.

22 We will now resume to our regular meeting  
23 for the MUA. Can I have a motion to close the rate  
24 hearing?

25 MR. SMITH: So moved.

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MS. COCO-CAPRI: Motion by Mr. Smith.  
MR. KNIGHT: Second.  
MS. COCO-CAPRI: Seconded by Mr. Knight.  
All in favor?  
(All state "aye.")  
MS. COCO-CAPRI: Motion approved.  
We will resume the regular meeting.  
(Concluded at 6:19 p.m.)

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CERTIFICATION

I, JANICE D. BURNES, a Certified Court Reporter and Registered Professional Reporter, do hereby certify that the foregoing is a true and accurate transcript of the proceedings as taken stenographically by and before me at the time, place and on the date hereinbefore set forth.

I DO FURTHER CERTIFY that I am neither a relative nor employee nor attorney nor counsel of any of the parties to this action, and that I am neither a relative nor employee of such attorney or counsel, and that I am not financially interested in the action.



Certified Court Reporter, License 30XI00225900  
Registered Professional Reporter

Dated: January 28, 2019

<p><b>Exhibits</b> <b>MUA EXHIBITS 013 02019</b></p> <hr/> <p><b>\$</b> <b>\$1.01</b> 6:3 <b>\$62.40</b> 5:24 <b>\$63.22</b> 5:25</p> <hr/> <p><b>0</b> <b>08053</b> 1:22</p> <hr/> <p><b>1</b> <b>11</b> 6:6 <b>17</b> 1:14</p> <hr/> <p><b>2</b> <b>2008</b> 6:6 7:3 <b>201</b> 1:22 <b>2016</b> 5:3,9 <b>2017</b> 5:3 <b>2018</b> 5:3,10 <b>2019</b> 1:14 6:24 7:21 10:19 <b>28</b> 10:19</p> <hr/> <p><b>3</b> <b>30</b> 7:10 <b>30XI00225900</b> 10:17</p> <hr/> <p><b>4</b> <b>40:14B-1</b> 3:22 <b>40:14B-21</b> 6:9 <b>41</b> 1:13</p> <hr/> <p><b>5</b> <b>5,000</b> 5:23 <b>50</b> 6:21</p> <hr/> <p><b>6</b> <b>609-346-3036</b> 1:23 <b>6:10</b> 1:15 <b>6:19</b> 9:8</p> <hr/> <p><b>8</b> <b>82</b> 5:25</p>	<p><b>9</b> <b>91</b> 6:2</p> <hr/> <p><b>A</b> <b>ability</b> 4:10 <b>above-captioned</b> 1:12 <b>accounts</b> 5:6 7:5 <b>accumulated</b> 6:15 <b>accurate</b> 10:6 <b>Act</b> 3:10 <b>action</b> 10:12,14 <b>additional</b> 6:2,3 <b>adjusted</b> 6:6 <b>adjusting</b> 6:4 7:1 <b>adjustments</b> 3:25 <b>Adler</b> 2:16 <b>administrative</b> 4:20 <b>Advisor</b> 2:12 <b>aggressive</b> 7:11 <b>allegiance</b> 3:6,7 <b>allowed</b> 4:8 <b>amount</b> 5:6 6:12, 14 <b>amounts</b> 6:8 <b>ancillary</b> 4:2 7:2,4, 23 <b>and/or</b> 6:13,18,24 <b>appended</b> 7:24 <b>applications</b> 7:6 <b>applied</b> 6:19 <b>approach</b> 4:7 7:11 <b>approved</b> 8:10,21 9:6 <b>approximately</b> 1:15 5:23 <b>assessment</b> 6:19 <b>attached</b> 2:21 <b>ATTENDANCE</b> 2:1 <b>attorney</b> 10:11,13 <b>Auditor</b> 2:11 <b>Authority</b> 1:5 3:21, 23 4:17 <b>Authority's</b> 4:7,19 7:10 <b>aye</b> 8:9,20 9:5</p> <hr/> <p><b>B</b> <b>B-22</b> 6:10</p>	<p><b>based</b> 5:17 <b>Basically</b> 6:11 <b>beneficial</b> 4:21 <b>benefits</b> 4:9 <b>bill</b> 5:24 <b>billing</b> 5:5 <b>board</b> 3:13,16 <b>Brian</b> 2:10 <b>bulletin</b> 3:13 <b>BURNESS</b> 1:15,21 10:4 <b>businesses</b> 6:23 7:17</p> <hr/> <p><b>C</b> <b>calculation</b> 6:8,11, 19 <b>Calendar</b> 5:3 <b>call</b> 3:3,4 <b>called</b> 3:1 <b>capital</b> 7:11 <b>Carolan</b> 2:9 <b>cents</b> 5:25 6:2 <b>CERTIFICATION</b> 10:2 <b>Certified</b> 1:16 10:4, 17 <b>certify</b> 10:6,10 <b>Chairman</b> 2:5 <b>Chairwoman</b> 2:4 8:15 <b>charge</b> 3:25 4:4 5:16,17 6:1,3 <b>charges</b> 7:6,8 <b>check</b> 7:13 <b>Cheryl</b> 2:4 <b>Christopher</b> 2:7 <b>clerk</b> 3:14 <b>close</b> 8:13,23 <b>Coco-capri</b> 2:4 3:1, 5,8,18 8:6,10,17, 21 9:1,3,6 <b>commence</b> 3:18 <b>commencing</b> 1:14 <b>comment</b> 3:24 8:3 <b>communities</b> 6:23 <b>comply</b> 6:17 <b>component</b> 3:25 4:5 5:16 <b>concluded</b> 9:8 <b>conducting</b> 3:23</p>	<p><b>connect</b> 6:13 <b>connection</b> 4:1,18 6:5,20,22 7:23 <b>connector</b> 6:12 <b>connector's</b> 6:15 <b>consistent</b> 4:10 <b>Consulting</b> 2:15 <b>continue</b> 7:15 <b>contracts</b> 4:21 <b>contributor</b> 5:8 <b>costs</b> 7:12 <b>counsel</b> 10:11,13 <b>County</b> 3:21 <b>Court</b> 1:16,21 10:4, 17 <b>Cragin</b> 2:11 <b>created</b> 7:13 <b>credits</b> 6:18 <b>Crook</b> 2:14 <b>current</b> 6:5 7:2 <b>customer</b> 3:25 5:16,22 <b>customers</b> 4:11,15</p> <hr/> <p><b>D</b> <b>date</b> 10:8 <b>Dated</b> 10:19 <b>David</b> 2:13 <b>debt</b> 4:23 <b>declined</b> 5:7 <b>deliver</b> 7:16 <b>delivered</b> 5:4 <b>Dennis</b> 2:8 3:16 <b>derived</b> 5:13 <b>determines</b> 6:11 <b>Director</b> 2:9,13 <b>discussed</b> 7:20 <b>disruptions</b> 4:16 <b>drawings</b> 7:8 <b>Drive</b> 1:21 <b>drops</b> 5:4</p> <hr/> <p><b>E</b> <b>East</b> 1:21 <b>effect</b> 7:3 <b>effective</b> 7:20 <b>efficiencies</b> 4:21 <b>efforts</b> 7:12 <b>Elbo</b> 1:13 <b>eliminating</b> 4:23</p>	<p><b>Elwood</b> 2:6 <b>emergency</b> 4:13 <b>employee</b> 10:11,13 <b>Engineer</b> 2:15,16 <b>equity</b> 6:16 <b>established</b> 6:8 <b>establishes</b> 6:14 <b>Evan</b> 2:14 <b>Executive</b> 2:9 <b>exhibits</b> 2:21 7:23 <b>existing</b> 6:23 <b>expect</b> 7:17 <b>expensive</b> 4:13 <b>extend</b> 6:21</p> <hr/> <p><b>F</b> <b>facilities</b> 4:9,22 <b>Facility</b> 1:13 <b>fact</b> 4:25 <b>factors</b> 4:24 <b>fair</b> 6:15 <b>favor</b> 8:8,19 9:4 <b>February</b> 6:23 7:21 <b>fee</b> 4:2 6:22 7:2 <b>feels</b> 5:11 <b>fees</b> 4:1,5,6,18 5:17 6:5,7,20 7:2, 4,7,23,25 <b>filed</b> 3:13 <b>Finally</b> 7:1 <b>Finance</b> 2:13 <b>Financial</b> 2:12 <b>financially</b> 10:14 <b>fiscal</b> 5:10 <b>fiscally</b> 4:9 7:14 <b>foregoing</b> 10:6 <b>forward</b> 5:20 <b>Francescone</b> 2:5 8:4,7 <b>frequent</b> 4:16</p> <hr/> <p><b>G</b> <b>gallons</b> 5:4,24 <b>good</b> 4:22 <b>grew</b> 5:6 <b>Grossman</b> 2:12 <b>grow</b> 4:8</p> <hr/> <p><b>H</b> <b>handling</b> 7:5</p>
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