

2014 LTMUA Chairman's Report

Good Evening, and thank you for the opportunity to provide you with an update on the Lower Township MUA, where we have been, and where we are going.

The LTMUA has had an outstanding year of performance and progress, despite an atmosphere of uncertainty. Our employees, Administration and Board performed admirably, overcoming huge challenges including the resignation of our Chairman and the retirement of our long-time Office Manager, and other turmoil. Because of the dissolution attempt to the MUA, we were unable to hire an executive director, but we worked together as a team and did the best we could under extremely difficult circumstances.

Thankfully the voters of Lower Township took action, and we can look to 2015 as being a year of cooperation and professionalism. This will enable us to collectively focus on the task at hand – to deliver high quality, efficient, and effective services to you – our ratepayers.

Let me take a moment to tell you about a few of our successes.

The Authority's 2015 Budget Appropriations reflect a significant decrease when compared to the 2014 Budget Appropriations.

Budgeted Operating Expenses decreased over \$1.3 million from those budgeted in 2014. Those savings were in Salaries and Wages and Fringe Benefits (over \$500,000) and Other Operating Expenses (over \$800,000). The Salaries and Wages and the related Fringe Benefits savings were primarily due to attrition through restructuring and employee retirements. Other Operating Expenses were significantly reduced through identifying and

implementing operating efficiencies, yet we still managed to provide the same high level of services.

Last year, you probably heard reports that the dissolution of the MUA would result in \$1 million in savings. This WAS and IS simply untrue. The truth is, we as the LTMUA had put together a plan, and those \$1 million in ratepayers' dollars would have been saved anyway – with or without the dissolution. Let's give credit where credit is REALLY due.

I'm happy to tell you that even with these savings realized, the Authority's 2015 Budget still includes \$1,250,000 in Capital Expenditures, including over \$1 million for much needed Sewer Main Installations at Wissahickon and Schellengers Landing.

All of this is being done with no budgeted increases in either Sewer or Water rates.

Now, I have told you of the challenges that we faced in 2014. Despite all of the political turmoil, great things got done by our team. A few of our accomplishments for 2014 include:

- Phase 3 and 3A of the Townbank/Villas water extension was completed and all 5 miles of roads repaired.
- The Board approved the expansion of water to the Villas and sewer to Erma. Our engineers have applied for funds to make this a reality.
- A Geographical Information System has been put in place to map all of our piping, fixtures and pump stations. Digital map books are being used by our field crews, and are updated on a regular basis.

- A new LTMUA web site was produced in house by Jim McDonald, saving us thousands. I urge everyone to use this site. It is filled with a wealth of information, including the most recent sewer service area map and details on our two ongoing infrastructure projects. Thank you, Jim for your time, effort, and expertise to make the new website a reality.

I am excited at the prospects of our new era of cooperation with the Township, and to what we can accomplish in 2015.

- Already this year, we purchased a state of the art vac truck which has been in use since its arrival at our facility. Since the old vac truck was next to worthless for a trade-in we had it refurbished from top to bottom - so we now have 2 vac trucks ready and primed to serve our constituents. They will both be used on a regular basis.
- We have shared many things with the Township from heavy machinery to the use of their large scale map plotter. We partnered on many projects such as the building of the tidal control structure at Cox Hall Creek. This was sharing at its best since it saved thousands of dollars in electric bills for the Township and did not cost the residents a dime. It removed an unsightly and unsafe pump house, restored Cox Hall Creek to its natural beauty bringing back many shore birds, crabs and fish. We look forward to continuing working with them in 2015 to make even more improvements in this area.

But this is just a start...

- I envision an atmosphere of cooperation and sharing with the Township that will be so strong and fiscally beneficial for both the Township and the MUA, that a dissolution of the

MUA will only be considered when our work is done – when the full build out of sewer and water is completed and all of our aging infrastructure is replaced. Towards that end I have instructed our Acting Executive Director Craig Loper to work with the Township Manager, Jim Ridgeway, in molding this Shared Services Agreement, to ensure that both the MUA and the Township are taking full advantage of our areas of expertise. We have a specialty that is working with pipes and pumps, and that is all we do. Our workforce takes extreme pride in bringing safe potable water to our customers and making sure that their sewage waste is collected, treated and disposed of safely. Collectively, the LTMUA and the Township make a great team, and we are committed to keeping our team strong through good solid communication and coordination.

- We are starting to replace our aged infrastructure with the Schellengers Landing and Wissahickon projects. Our employees continue to hook up water to the people in the Villas on the streets that have been approved and permitted by the New Jersey Department of Environmental Protection.
- We have another 5 year project, required by NJDEP, to interconnect with the water purveyor north of us in Middle Township. This will guarantee that under catastrophic circumstances we will have access to clean potable water, making both our system AND our community stronger and more Resilient

In closing, I would just like to thank all the MUA employees whose lives were turned upside down over the past year because of politics. These men and women did the best job that they could, continuing to provide high quality services despite the uncertain

future of our Authority, and showed our customers that their customer's needs always came first.

I would also like to thank the LTMUA Board Mr. Tom Frisoli, Mr. Pete Bittings and Mr. Steve Shefts for all the help and guidance they have given me throughout this challenging transition year.

And finally I would like to thank my wife, Patty, for putting up with me during one of the most stressful years of our lives. I promised her after the election, that things would get better and as you can see tonight, they already have. Goodnight and God Bless.