

ATLANTIC CITY MUNICIPAL UTILITIES AUTHORITY
PUBLIC MEETING

Date: Thursday - December 3, 2020

COMMENCING at 09:45 a.m.

ATLANTIC CITY MUNICIPAL AUTHORITY

8401 NORTH VIRGINIA AVENUE

ATLANTIC CITY, NEW JERSEY

ATLANTIC CITY COURT REPORTING, LLC

Certified Realtime Reporters & Videographers

1125 Atlantic Avenue - Suite 543

Atlantic City, New Jersey 08401

Phone: (609) 345-8448

WWW.accountreporting.com

1 MR. SMITH: Good morning. Today is,
2 Thursday, December 3, 2020. This is the second
3 public hearing for the budget of the Atlantic
4 City Municipal Utilities Authority. The time
5 is 10 o'clock. I'll be reading from the press
6 release for the budget hearing for the Atlantic
7 City MUA.

8 The Atlantic City Municipal Utilities
9 Authority is holding a second public hearing on the
10 Authority's proposed 2021 budget and proposed
11 changes to the rules, rates and regulations, which
12 is today, December 3, 2020. Today's hearing is
13 being held at the Atlantic City Municipal Utilities
14 Authority, located at 401 North Virginia Avenue,
15 Atlantic City, New Jersey. And today's hearing is
16 actually from 10 a.m. until 12 noon.

17 The budget is scheduled for adoption at a
18 regularly scheduled meeting on December 16, 2020.
19 The MUA will accept written comments. Comments
20 received before the hearing will be read into the
21 hearing record. Written comments not read at the
22 hearing will be presented at the board meeting.

23 Due to COVID-19, the ACMUA office is closed to
24 the public. Anyone interested in attending the

1 board meeting may contact the Authority at
 2 609-345-3315, extension 216 and receive
 3 instructions to attend the meeting.

4 The 2021 proposed budget is a fully funded
 5 budget provided for the continuations of all of the
 6 Authority's major programs. The Authority is
 7 expecting a decrease of 11.4 percent in total user
 8 water charges in 2021. Revenues from business,
 9 commercial and industrial customers are expected to
 10 decrease by 15.4 percent and 20.7 percent
 11 respectively. These declines in revenues are
 12 mainly due to the adverse impact of the COVID-19
 13 outbreak on the economics and financial markets.
 14 Casinos and nonessential businesses are greatly
 15 impacted by the forced closure and reopening of
 16 businesses with a limited capacity in 2020. It is
 17 still unknown how long these outbreak conditions
 18 will last. Consequently, the Authority's water
 19 usage has been greatly impacted in 2020. And this
 20 impact may continue until, at least, the first
 21 quarter of 2021. This decline in water usage
 22 caused as a result of COVID-19 uncertainly was
 23 considered in the 2021 proposed annual budget.

24 The Authority's total net appropriation is

1 anticipated to decrease 11.6 percent in 2021
2 compared to 2020. As the unprecedented COVID-19
3 outbreak has impacted the Authority's revenue, the
4 management has reorganized and looked into areas
5 where cost cutting is possible.

6 The 2021 rate increase was structured to
7 ensure that the projected revenues would be
8 sufficient to cover the year's anticipated
9 appropriations. The Authority is proposing a
10 2 percent increase in its flat rate for all
11 customers. The Authority will generate additional
12 revenue of \$133,900 from the 2 percent flat
13 increase. The rate increase is needed to fund its
14 future capital projects to upgrade its aging
15 infrastructure and, most notably, to comply with
16 the State PFAS regulation and Water Quality
17 Accountability Act. The excess rate will remain
18 the same at \$3.762 cents per one hundred cubic
19 feet. The residential flat rate will increase to
20 \$62.25 cents a quarter, from \$61 a quarter.

21 State law sets a formula mandating the
22 specific calculations of connection fees. State
23 law further requires that connection fees be
24 recalculated at the end of every calendar year and

1 that all Debt Service and Capital Expenditures be
2 included in the calculation. The connection fee
3 rate will remain the same in 2021 of \$20.6188 cents
4 per gallon of daily flow.

5 Any revenue generated from the connection fee
6 will be utilized for capital projects. The MUA is
7 also making changes to the rules, rates and
8 regulations. The full text of the changes is
9 available by contacting MUA's office. It is also
10 available on the MUA's website, WWW.ACMUA.org.

11 It is approximately 10:05 a.m. There are no
12 members from the public present at this time. The
13 meeting is scheduled to proceed until 12 p.m.
14 today. I'm going to set a pause in the meeting and
15 I will be upstairs in my office. And should anyone
16 from the public appear or call before 12 p.m., I
17 will immediately come downstairs and reconvene the
18 open meeting.

19 With that, we are going to take a pause.
20 Thank you.

21 (Recess taken.)

22 MR. SMITH: It is now 12:01 p.m. The
23 public hearing of the Atlantic City Municipal
24 Utilities Authority 2021 budget has come to a

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

close.

This will be the final public hearing for the Atlantic City Municipal Utilities Authority for the 2021 budget.

Thank you. Have a great day.

(Meeting concluded.)

A	2:10,17 3:4 3:5,23 5:24 6:4 business 3:8 businesses 3:14,16	3:18 considered 3:23 contact 3:1 contacting 5:9 continuations 3:5 continue 3:20 cost 4:5 COURT 1:19 cover 4:8 COVID-19 2:23 3:12,22 4:2 cubic 4:18 customers 3:9 4:11 cutting 4:5	feet 4:19 final 6:2 financial 3:13 first 3:20 flat 4:10,12 4:19 flow 5:4 forced 3:15 formula 4:21 full 5:8 fully 3:4 fund 4:13 funded 3:4 further 4:23 future 4:14	
a.m 1:7 2:16 5:11 accept 2:19 Accountabi... 4:17 ACMUA 2:23 Act 4:17 additional 4:11 adoption 2:17 adverse 3:12 aging 4:14 annual 3:23 anticipated 4:1,8 appear 5:16 appropriation 3:24 appropriat... 4:9 approximately 5:11 areas 4:4 Atlantic 1:1,8 1:10,19,21 1:22 2:3,6,8 2:13,15 5:23 6:3 attend 3:3 attending 2:24 Authority 1:1 1:8 2:4,9,14 3:1,6 4:9,11 5:24 6:3 Authority's 2:10 3:6,18 3:24 4:3 available 5:9 5:10 Avenue 1:9,21 2:14	C	D	G	
B	calculation 5:2 calculations 4:22 calendar 4:24 call 5:16 capacity 3:16 capital 4:14 5:1,6 Casinos 3:14 caused 3:22 cents 4:18,20 5:3 Certified 1:20 changes 2:11 5:7,8 charges 3:8 City 1:1,8,10 1:19,22 2:4 2:7,8,13,15 5:23 6:3 close 6:1 closed 2:23 closure 3:15 come 5:17,24 COMMENCING 1:7 comments 2:19 2:19,21 commercial 3:9 compared 4:2 comply 4:15 concluded 6:6 conditions 3:17 connection 4:22,23 5:2 5:5 Consequently	calculation 5:2 calculations 4:22 calendar 4:24 call 5:16 capacity 3:16 capital 4:14 5:1,6 Casinos 3:14 caused 3:22 cents 4:18,20 5:3 Certified 1:20 changes 2:11 5:7,8 charges 3:8 City 1:1,8,10 1:19,22 2:4 2:7,8,13,15 5:23 6:3 close 6:1 closed 2:23 closure 3:15 come 5:17,24 COMMENCING 1:7 comments 2:19 2:19,21 commercial 3:9 compared 4:2 comply 4:15 concluded 6:6 conditions 3:17 connection 4:22,23 5:2 5:5 Consequently	daily 5:4 Date 1:6 day 6:5 Debt 5:1 December 1:6 2:2,12,18 decline 3:21 declines 3:11 decrease 3:7 3:10 4:1 downstairs 5:17 due 2:23 3:12	H
board 2:22 3:1 budget 2:3,6	F	economics 3:13 ensure 4:7 excess 4:17 expected 3:9 expecting 3:7 Expenditures 5:1 extension 3:2	I	
		fee 5:2,5 fees 4:22,23	gallon 5:4 generate 4:11 generated 5:5 going 5:14,19 Good 2:1 great 6:5 greatly 3:14 3:19	
			hearing 2:3,6 2:9,12,15,20 2:21,22 5:23 6:2 held 2:13 holding 2:9 hundred 4:18	
			immediately 5:17 impact 3:12,20 impacted 3:15 3:19 4:3 included 5:2 increase 4:6 4:10,13,13 4:19 industrial 3:9	

infrastruc... 4:15	North 1:9 2:14	reading 2:5	sufficient 4:8
instructions 3:3	notably 4:15	Realtime 1:20	Suite 1:21
interested 2:24	<hr/> O <hr/>	recalculated 4:24	<hr/> T <hr/>
<hr/> J <hr/>	o'clock 2:5	receive 3:2	take 5:19
Jersey 1:10, 22 2:15	office 2:23 5:9, 15	received 2:20	taken 5:21
<hr/> K <hr/>	open 5:18	Recess 5:21	text 5:8
<hr/> L <hr/>	outbreak 3:13 3:17 4:3	reconvene 5:17	Thank 5:20 6:5
law 4:21, 23	<hr/> P <hr/>	record 2:21	Thursday 1:6 2:2
limited 3:16	p.m. 5:13, 16, 22	regularly 2:18	time 2:4 5:12
LLC 1:19	pause 5:14, 19	regulation 4:16	today 2:1, 12 5:14
located 2:14	percent 3:7, 10 3:10 4:1, 10 4:12	regulations 2:11 5:8	today's 2:12 2:15
long 3:17	PFAS 4:16	release 2:6	total 3:7, 24
looked 4:4	Phone 1:23	remain 4:17 5:3	<hr/> U <hr/>
<hr/> M <hr/>	possible 4:5	reopening 3:15	uncertainly 3:22
major 3:6	present 5:12	reorganized 4:4	unknown 3:17
making 5:7	presented 2:22	Reporters 1:20	unprecedented 4:2
management 4:4	press 2:5	REPORTING 1:19	upgrade 4:14
mandating 4:21	proceed 5:13	requires 4:23	upstairs 5:15
markets 3:13	programs 3:6	residential 4:19	usage 3:19, 21
meeting 1:2 2:18, 22 3:1 3:3 5:13, 14 5:18 6:6	projected 4:7	respectively 3:11	user 3:7
members 5:12	projects 4:14 5:6	result 3:22	Utilities 1:1 2:4, 8, 13 5:24 6:3
morning 2:1	proposed 2:10 2:10 3:4, 23	revenue 4:3, 12 5:5	utilized 5:6
MUA 2:7, 19 5:6	proposing 4:9	revenues 3:8 3:11 4:7	<hr/> V <hr/>
MUA's 5:9, 10	provided 3:5	rules 2:11 5:7	Videographers 1:20
Municipal 1:1 1:8 2:4, 8, 13 5:23 6:3	public 1:2 2:3 2:9, 24 5:12 5:16, 23 6:2	<hr/> S <hr/>	Virginia 1:9 2:14
<hr/> N <hr/>	<hr/> Q <hr/>	scheduled 2:17 2:18 5:13	<hr/> W <hr/>
needed 4:13	Quality 4:16	second 2:2, 9	water 3:8, 18 3:21 4:16
net 3:24	quarter 3:21 4:20, 20	Service 5:1	website 5:10
New 1:10, 22 2:15	<hr/> R <hr/>	set 5:14	written 2:19 2:21
nonessential 3:14	rate 4:6, 10, 13 4:17, 19 5:3	sets 4:21	WWW. accour... 1:24
noon 2:16	rates 2:11 5:7	SMITH 2:1 5:22	
	read 2:20, 21	specific 4:22	
		State 4:16, 21 4:22	
		structured 4:6	

WWW.ACMUA.org 5:10	401 2:14		
X	5		
Y	543 1:21		
year 4:24 year's 4:8	609 1:23 609-345-3315 3:2		
Z	61 4:20 62.25 4:20		
0	7		
08401 1:22 09:45 1:7	8		
1	8401 1:9		
10 2:5,16 10:05 5:11 11.4 3:7 11.6 4:1 1125 1:21 12 2:16 5:13 5:16 12:01 5:22 133,900 4:12 15.4 3:10 16 2:18			
2			
2 4:10,12 20.6188 5:3 20.7 3:10 2020 1:6 2:2 2:12,18 3:16 3:19 4:2 2021 2:10 3:4 3:8,21,23 4:1,6 5:3,24 6:4 216 3:2			
3			
3 1:6 2:2,12 3.762 4:18 345-8448 1:23			
4			