MAYOR SEAN EARLEN

TOWNSHIP COMMITTEE

Jim Conway Lewis Jackson Kristin Januseski Mike Mansdoerfer



Township Administrator Brandon E. Umba

> **CFO** Robin Sarlo

Township Clerk Debra Shaw-Blemings

Friends and Neighbors,

Earlier this year, I wrote to you on behalf of the Township Committee in response to the many complaints we received from Lumberton residents regarding the 40% increases in the Mount Holly Municipal Utilities Authority's (MUA) sewer bills over the past three years. At that time, we pledged to work to address the unfair billing rates charged by the MUA and the absence of any Lumberton representation on the MUA board. We appreciate the overwhelming support you have expressed for our efforts to fight for what is fair for Lumberton residents. I am writing to give an update on these efforts.

As you may recall, the Township Committee has raised three issues with the MUA, beginning with the decision to increase Lumberton's residential and commercial sewer rates by more than 40% since 2013. Second, Lumberton residents do not share the same "host town" benefits that Mount Holly residents enjoy, even though the MUA's sewer processing facility is physically constructed in Lumberton Township. Mount Holly residents enjoy sewer rate and connection fee discounts of 25% below the rates paid by Lumberton residents. Third, although Lumberton is the largest town that the MUA serves, our township has never been represented on the MUA Board and therefore, we believe that our concerns are not being appropriately or adequately represented. The MUA Board is currently comprised of individuals appointed by the Mount Holly Township Council only, including several Mount Holly Council members. As such, it is little surprise that Mount Holly residents enjoy such generous discounts at the expense of Lumberton taxpayers. Lumberton Township has been fighting to receive the same "host town" sewer rate reduction as Mount Holly residents, along with two seats on the MUA Board so that Lumberton's rights are properly represented.

Sadly, we have had to resort to hiring a special counsel and filing numerous Open Public Records Act requests in order to gain answers to the concerns raised by our residents. The documents reveal that Mount Holly Township consistently uses the Mount Holly MUA to fund the municipal budget. That means the exorbitant fees paid by Lumberton residents are being used to fund Mount Holly Township. Over the last several months, we have also learned the following about the MUA.

- In addition to charging Mount Holly residents and businesses lower rates, the Mount Holly MUA Board makes a yearly payment of \$365,150 to the Township of Mount Holly as a payment in lieu of taxes (PILOT). In fact, in 2013, two months after the MUA voted to raise Lumberton's rates, the Board passed Resolution 2013-67, which amended its budget to increase that PILOT amount from \$240,150 to the current \$365,150.00. When asked how the MUA will fund this increase, the Deputy Director of Finance stated (as recorded in the minutes of August 8, 2013), "the recent rate increase will cover the additional appropriations." To put this in perspective, the Mount Holly Town Council appoints its own members to the Mount Holly MUA, who in turn send hundreds of thousands of Lumberton ratepayers' dollars back to the Mount Holly Council for their budget. This is just wrong and unjust to the hard working residents of Lumberton.
- In what we believe to be a hollow attempt to satisfy one of our complaints, the Mount Holly Township Council, without any consultation with the
 Lumberton Township Committee, appointed one Lumberton resident to the MUA Board. It is our opinion that this is a callous act to give the
 appearance of openness and cooperation when in fact nothing could be farther from the truth. This new Board member has not contacted any
 member of our Township Committee, nor Township administration to discuss your complaints or what is right and just for Lumberton's ratepayers.
- Now, to our amazement and disgust, this week the Mount Holly MUA notified Lumberton Township that it is increasing sewer connection fees AGAIN. Already amongst the highest in the Burlington County, this additional increase in connection fees presents an even greater barrier to growth for Lumberton businesses and developers, putting Lumberton at a disadvantage compared to its Mount Holly neighbors.

We began this effort to ensure that Lumberton's residents and businesses receive fair treatment and relief in their billing and connection fees, and open and honest representation on the MUA Board. Now, we also believe that the MUA owes Lumberton ratepayers an explanation as to why it cannot be afforded the same benefits that Mount Holly residents enjoy and why the Mount Holly MUA is balancing the Mount Holly Township budget on the backs of Lumberton residents.

Why is it that the Mount Holly MUA's rates are so much higher than others in the region? What makes it so much more expensive to process sewage in Mount Holly than elsewhere in Burlington County? Please be assured that the Lumberton Township Committee intends to find out why and will continue to fight for Lumberton's residents and businesses. We ask for your continued support in this cause as we work to keep pressure on the members of the MUA Board to do what's right. To voice your concerns, contact the Mount Holly MUA at info@mhmua.com or by calling 609-267-0015.

Sincerely,

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