

**OLD BRIDGE MUNICIPAL UTILITIES AUTHORITY**  
**REGULAR MEETING**  
**April 27, 2011**

Call to Order: The Regular Meeting of April 27, 2011 was called to order at 7:00 p.m. with the Pledge of Allegiance by Chairman Galante.

Announcement Chairman Galante announced that this meeting is being held in conformance with the Open Public Meetings Act. Notice has been given to the newspapers and notice of the meeting has been posted in public places.

Roll Call: Present:  
Thomas Galante, Chairman  
Edward Testino, Vice-Chairman  
Nicholas Smolney, Treasurer  
Kiran Desai, Secretary  
Rocco Donatelli, Commissioner  
Reginald Butler, 1<sup>st</sup> Alternate – Assistant Secretary  
Richard Greene, 2<sup>nd</sup> Alternate – Assistant Treasurer

Absent:  
None

Also present:  
Guy Donatelli, Executive Director  
Michael Roy, P.E.  
Stephen A. Florek II, Comptroller  
Louis E. Granata, Esq.

Executive Director's  
Report:

Executive Director Donatelli referred to the Drinking Water Analysis- Monthly Coliform Summary Report Form from the Garden State Laboratories as well as the Monthly Water Distribution for March and April 2010 as included in the Commissioners' packets.

Also included in the Commissioners' packets are the Monthly Water Distribution for March 2011 and the Perrine Road Pump Station Compliance Inspection Report conducted by the DEP.

Executive Director Donatelli also reported that the Local Finance Board recently approved the NJEIT Loans for the following three

sewer projects totaling \$17.5 million: Crossroads, SCADA and the Summerfield Avenue Pump Station.

Request for Qualifications has been taken for the computer maintenance specialist and the energy audit specialist. His recommendation is to appoint three Computer Maintenance Specialists and Concord Engineering Group, Inc. for the Energy Audit Specialist on an as needed basis.

A motion was made to appoint CNC Consulting, Inc., PC Visions and TK1 Solutions, Computer Maintenance Specialists on an “as needed” basis by Mr. Smolney and seconded by Mr. Desai.

The roll call vote was as follows:

AYES: Desai, Smolney, Testino, Butler, Galante

NAYS: None

NOT PARTICIPATING: Donatelli

5 Ayes            0 Nays            1 No Participation

Executive Director Donatelli reported that with respect to the Energy Audit Specialist, the recommendation is to appoint Concord Engineering Group. This is a one-time payment, and there will be a reimbursement of 75% of their fees, and a 25% reimbursement if their recommendations are implemented.

A motion was made to appoint Concord Engineering Group as an Energy Audit Specialist by Mr. Smolney and seconded by Mr. Greene.

AYES: Desai, Smolney, Butler, Greene, Galante

NAYS: None

NOT PARTICIPATING: Donatelli, Testino

5 Ayes            0 Nays            2 No Participation

Executive Director Donatelli continued his report by stating that GEL Laboratories, LLC of Charleston, SC will be performing two types of tests on the water system. The tests associated with the

concerns of Japan's recent problems are Iodine (131) and Gamma Spec (1-131). Results are expected in May 2011 and will be posted on the website.

The QualCare renewal has a 16.1% increase for which there are sufficient funds available in the budget.

Executive Director Donatelli requested the Commissioners' approval to dispose of two backhoes (1984 Case 580 Super E 2-Wheel Drive and 188 John Deere 410 C, 2-wheel drive).

A motion to approve the auction of two backhoes, a 1984 Case 580 Super E 2-Wheel Drive and a 188 John Deere 410 C, 2-wheel drive on *GovDeals.com* was made by Mr. Smolney and seconded by Mr. Galante.

The roll call was as follows:

AYES: Desai, Smolney, Butler, Greene, Galante

NAYS: None

NOT PARTICIPATING: Donatelli, Testino

5 Ayes            0 Nays            2 No Participation

Executive Director Donatelli announced that the bid for a Power Purchase Agreement will be advertised shortly. Bids must be awarded on the spot to the company which will offer the greatest saving. The bids are expected to be taken on or about May 17, 2011 with a report to the Commissioners on May 18, 2011.

Mr. Florek stated that after analysis of the data presented by the contractors, a response is required within one day.

Mr. Desai recommended accepting a bid with a one or two year fixed rate.

Mr. Florek responded that the choice will be made based on the most lucrative rate.

Executive Director Donatelli reported that the annual contracts for Sewer Division Field Services and the contract for Cleaning Browntown Aerators are out to bid.

A PO has been issued for the printing of the Consumer Confidence Report. J. M. Printing & Graphics of Wall Township submitted the lowest price quote.

A motion was made by approve the Executive Director's Report by Mr. Smolney and seconded by Mr. Greene.

The roll call vote was as follows:

AYES: Desai, Smolney, Testino, Butler, Galante

NAYS: None

NOT PARTICIPATING: Donatelli

5 Ayes            0 Nays            1 No Participation

Chairman's Report: Chairman Galante highlighted the fact that the Old Bridge M.U.A. has again received the Award of Financial Reporting Achievement by the Government Finance Officers Association of the U.S.

Previous Minutes: Budget Workshop - March 2, 2011  
Budget Workshop - March 16, 2011  
Regular Meeting - March 16, 2011  
Executive Session - March 16, 2011  
Special Meeting - March 28, 2011

A motion to approve the Previous Minutes was made by Mr. Smolney and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Desai, Smolney, Testino, Butler, Galante

NAYS: None

NOT PARTICIPATING: Donatelli

5 Ayes            0 Nays            1 No Participation

Engineering Reports: Michael Roy, P.E.

Report on Developers for Approvals

**Route 34 Plaza/Route 34 Plaza, LLC**

- 1. W11-623, Preliminary & Tentative Water – 4 EDCU’s**
- 2. S11-489, Preliminary & Tentative Sewer – 2 EDCU’s**

**Chairman Galante removed himself from this discussion**

Mr. Roy reported that this property is located on the north side of Route 34 at the Township boundary with Matawan Borough, Monmouth County.

The project includes the construction of approximately 165 LF of ten inch (10”) DIP water main and two (2), two inch (2”) water service lines to service two (2) office/retail buildings, one of which will be located in Matawan Borough, Monmouth County, totaling 10,440 SF. With respect to sewer flow there is a DEP restriction as to where the sewerage may flow, i.e., the sewer located in Matawan will be serviced by Matawan; the other will be serviced by Old Bridge. There are no such restrictions with respect to water, and the Borough of Matawan has requested the Old Bridge Municipal Utilities Authority to service the water for both buildings. His recommendation is to grant preliminary and tentative water and sewer approval.

Mr. Smolney expressed his concern about the Authority providing service to another municipality.

Mr. Granata responded that water service is already provided to another municipality as per a contract with Aberdeen Township.

A motion was made to approve as recommended Route 34 Plaza, Water Application No. W11-623, Preliminary & Tentative and Sewer Application No. S11-489, Preliminary & Tentative by Mr. Desai and seconded by Mr. Butler.

The roll call was as follows:

AYES: Desai, Donatelli, Butler, Greene

NAYS: Smolney

NOT PARTICIPATING: Galante

ABSENT FROM PODIUM: Testino

4 Ayes 1 Nay 1 No Participation 1 Absent From Podium

Superintendent's  
Report:

Al Lunkenheimer, Superintendent Sewer Division

A motion to approve the Superintendent's Report as included in the Commissioners' packets was made by Mr. Smolney and seconded by Mr. Butler.

The roll call was as follows:

AYES: Desai, Smolney, Butler, Greene, Galante

NAYS: None

NOT PARTICIPATING: Donatelli

ABSENT FROM PODIUM: Testino

5 Ayes 0 Nay 1 No Participation 1 Absent From Podium

Engineering Reports: Michael Roy, P. E.

**1. Colony Development – W10-619, Water Bond Release**

Mr. Roy explained that this is a proposed bond release for Colony Development for the installation of a fire suppression line for a building located on Jocama Boulevard for which a fire hydrant and a four inch (4") fire line is required. Installation and testing of water construction is complete and satisfactory. All water lines will remain privately owned by the Applicant. His recommendation is to release the bond conditioned upon the Applicant "zeroing out" the water escrow account.

A motion was made to release as recommended the Water Bond for Colony Development - W10-619 by Mr. Desai and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Desai, Smolney, Butler, Greene, Galante

NAYS: None

NOT PARTICIPATING: Donatelli

ABSENT FROM PODIUM: Testino

5 Ayes 0 Nays 1 No Participation 1 Absent From Podium

**2. WAWA – Englishtown Road – W206-570, S206-446,  
Bond Release.**

Mr. Roy reported that the water and sewer service will be privately owned and maintained by the commercial property. Installation and testing of water and sewer construction is complete and satisfactory. As-built drawings are approved; mylar and electronic copies have been received; and the water meter has been installed. His recommendation is to release the performance bond without condition.

A motion was made to release as recommended the Performance Bond for WAWA – Englishtown Road – W206-570, S206-446 by Mr. Butler and seconded by Mr. Smolney.

The roll call vote was as follows:

AYES: Desai, Smolney, Testino, Butler, Galante

NAYS: None

NOT PARTICIPATING: Donatelli

5 Ayes 0 Nays 1 No Participation

**3. Extension of Annual Contracts - 1 Year**

**A. Water Division Chemicals – W09-139**  
Bagged Lime – Coyne, Item 1  
Bulk Lime – Greer, Item 2  
Sternpac – Delta, Item 3 & 4  
Chlorine – Miracle, Item 5 & 6  
*(This contract is being extended for the second year. Next year it will have to be rebid.)*

**B. Water Division Lab Testing – W09-140**  
Drinking Water Testing – Garden State Labs

*(This contract is being extended for the second year. Next year it will have to be rebid.)*

- C. **Sewer Division Chemicals – S10-146**  
**Bioxide – Siemens**  
*(This contract is being extended for the first time.)*
  
- D. **Sewer Division Lab Testing – S10-148**  
**Industrial Billing – Aqua Pro-Tech Labs**  
*(This contract is being extended for the first time.)*
  
- E. **Water Division Supply Materials – W10-149**  
**Hydrants, Services, Repair Clamps, Valves –**  
**Water Works Supply**  
**Tapping Sleeves – Raritan Supply**  
*(This contract is being extended for the first time.)*

Mr. Roy's recommendation is to extend for one year all of the above contracts based on excellent performance and upon the index rate as published by the DCA with respect to price increases (currently 2.5%).

A motion was made to extend the following annual contracts as recommended by Mr. Butler and seconded by Mr. Smolney:

Water Division Chemicals – W09-139  
Bagged Lime – Coyne, Item 1  
Bulk Lime – Greer, Item 2  
Sternpac – Delta, Item 3 & 4  
Chlorine – Miracle, Item 5 & 6

Water Division Lab Testing – W09-140  
Drinking Water Testing – Garden State Labs

Sewer Division Chemicals – S10-146  
Bioxide – Siemens

Sewer Division Lab Testing – S10-148  
Industrial Billing – Aqua Pro-Tech Labs

Water Division Supply Materials – W10-149  
Hydrants, Services, Repair Clamps, Valves –  
Water Works Supply  
Tapping Sleeves – Raritan Supply



The roll call vote was as follows:

AYES: Desai, Smolney, Testino, Butler, Galante

NAYS: None

NOT PARTICIPATING: Donatelli

5 Ayes          0 Nays          1 No Participation

**4. Browntown WTP Aerator Cleaning – W10-145, Final Change Order.**

Mr. Roy reported that the recently installed PVC trays in the aerators at the Browntown Plant were not removed and lowered to the ground during cleaning due to a large amount of iron buildup on the internal structures. An alternative means of cleaning the aerators was performed which required additional equipment and manpower. The change order consists of the final quantities of work actually performed during the construction. The total cost of the change order is an increase of \$9,850.00, which is nineteen point eight percent (19.8%) increase from the original contract amount of \$49,720.00 to an amended contract amount of \$59,570.00.

A motion was made to approve as recommended the Browntown WTP Aerator Cleaning – W10-145, Final Change Order by Mr. Butler and seconded by Mr. Smolney.

The roll call vote was as follows:

AYES: Desai, Smolney, Testino, Butler, Galante

NAYS: None

NOT PARTICIPATING: Donatelli

5 Ayes          0 Nays          1 No Participation

**5. Arbors Sewer Pump Station Upgrade – 2010-1, Change Order No. 1.**

Mr. Roy stated that this change order consists of the cost to construct a footing under the new wall that was specified to replace

the garage door on the pump station generator building. As-built drawings of the pump station indicated an existing footing which was not found after excavation. The total cost of the change order is \$2,091.65 which is a one point two percent (1.2%) increase of the original contract amount of \$175,800.00 to a new contract amount of \$177,891.65.

Mr. Smolney asked who the original engineer was on the as-builts.

Mr. Roy suggested that it may have been Kupper.

A motion to approve as recommended the Arbors Sewer Pump Station Upgrade – 2010-1, Change Order No. 1 was made by Mr. Smolney and seconded by Mr. Galante.

The roll call was as follows:

AYES: Desai, Smolney, Testino, Butler, Galante

NAYS: None

NOT PARTICIPATING: Donatelli

5 Ayes          0 Nays          1 No Participation

Financial Report: Stephen A. Florek II, Comptroller

A motion was made to approve the following resolutions by Mr. Smolney and seconded by Mr. Butler:

Authorizing Resolution for application for a loan from the NJEIT Program for the Interim Note Borrowing

Authorizing Resolution for participation in the Interim Loan Program with Form of Interim Note

Authorizing Resolution for the sewer projects and bonds as part of the FY 2012 NJEIT Program, together with Nineteenth Supplemental Indenture & Twentieth Supplemental Indenture

The roll call vote was as follows:

AYES: Desai, Smolney, Testino, Butler, Galante

NAYS: None

NOT PARTICIPATING: Donatelli

5 Ayes            0 Nays            1 No Participation

Mr. Florek stated that Acacia Financial Group is recommending a change in investment strategy from obtaining Certificates of Deposit to investing money in accounts for longer term investments. Acacia believes that US Treasuries which mature in a two to five year period with a current yield of 1.43% would be more beneficial. The funds in the Columbia Bank money market account will remain intact because of the 1% return.

Mr. Testino asked for a confirmation that US Treasuries are on an approved list for the Authority.

Mr. Florek confirmed that they were and added that the Authority currently holds government issued bonds in its portfolio.

A motion was made to authorize the implementation of the revised investment plan as recommended by Acacia Investment Advisory Group, Inc. by Mr. Smolney and seconded by Mr. Butler.

The roll call was as follows:

AYES:            Desai, Smolney, Testino, Butler, Galante

NAYS:            None

NOT PARTICIPATING: Donatelli

5 Ayes            0 Nays            1 No Participation

Legal Report:            Louis Granata, Esq.

Mr. Granata stated the following matters would be discussed in Executive Session: Brunetti Litigation and Contract Negotiations.

Bills & Claims:            \$1,910,078.24

A motion to approve Bills and Claims was made by Mr. Smolney and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Desai, Smolney, Testino, Butler, Galante

NAYS: None

NOT PARTICIPATING: Donatelli

5 Ayes            0 Nays            1 No Participation

Old Business:

**Brunetti Oaks at Glenwood Development – Status**

Mr. Roy reported that this matter would be discussed in Executive Session.

**Recharge Basin Study – Status**

Mr. Roy stated that he has been updated with information which the Consulting Engineer has done with groundwater modeling which appears to be very promising. The results are being reviewed with attorney Barbara Koonz, and a meeting is being arranged with the DEP.

**Crossroads, Summerfield, SCADA NJEIT Projects – Status**

Mr. Roy stated that Crossroads is close to being bid; the bridge loan is currently being applied for.

Mr. Granata added that with respect to Crossroads, negotiations are currently underway with the property owners from which easements are being sought. With respect to the Summerfield project, appraisals of the adjacent property will be forthcoming.

New Business:

Mr. Smolney informed the Commissioners that a resident was assessed a service charge by Amboy Bank for the payment of their utility bill.

Mr. Florek stated that a small amount is charged when a payment is made in cash.

Mr. Galante suggested that Mr. Florek speak to someone in the bank.

Open to the public: Chairman Galante opened a public portion.

Seeing no hands Chairman Galante closed the public portion.

Executive Session: A motion was made to go into Executive Session at 7:42 p.m. by Mr. Testino and seconded by Mr. Galante

The roll call vote was as follows:

AYES: Desai, Smolney, Testino, Greene, Galante

NAYS: None

NOT PARTICIPATING: Donatelli

ABSENT FROM PODIUM: Butler

5 Ayes 0 Nays 1 No Participation 1 Absent From Podium

**Regular Meeting Reconvened at 8:14 p.m.**

**During Executive Session Mr. Granata discussed with the Commissioners the status of the Brunetti Litigation, the Deep Run Homeowners Association Litigation and the Recharge Basin Project.**

Adjournment: A motion was made to adjourn at 8:15 p.m. by Mr. Desai and seconded by Mr. Smolney.

The motion was approved by an ALL AYES vote.

Respectfully submitted:

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Kiran Desai, Secretary