

**OLD BRIDGE MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
May 18, 2011**

Call to Order: The Regular Meeting of May 18, 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
Nicholas Smolney, Treasurer
Kiran Desai, Secretary (arrived at 7:05 p.m.)
Rocco Donatelli, Commissioner
Reginald Butler, 1st Alternate – Assistant Secretary
Richard Greene, 2nd Alternate – Assistant Treasurer

Absent:
Edward Testino, Vice Chairman

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 announced that bacteria results report will be distributed next month.

Operator Certification Program

Richard Greene passed the C-2 licensing examination given by the Department of Environmental Protection Agency's Licensing Unit.

Radiation Testing

GEL Laboratories, LLC performed tests for Iodine-131 and Gamma Spec (I-131) on the water system, and the results indicate that these samples were non-detectable. Results will be published on the website.

Old Bridge Water Treatment Plan

The Old Bridge Water Treatment Plant on Rt. 18 is back in operation and ready for this summer’s demand.

Third Party Energy Supplier

Bids were received on May 17, 2011, and the Commissioners authorized execution on the spot to lock in a rate. Hudson Energy Services won the bid for an eighteen month period. The MUA will enjoy a minimum savings of \$279,990.00 which is formulated on basic usage.

Brunetti

The federal RICO case has been dismissed. Mr. Granata will discuss Brunetti issues in Executive Session.

A motion was made to accept the Executive Director’s Report by Mr. Smolney and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Donatelli, Smolney, Butler, Galante

NAYS: None

ABSENT: Desai, Testino

ABSENT FROM THE PODIUM: Greene

4 Ayes 0 Nays 2 Absent 1 Absent From Podium

Chairman’s Report: Mr. Galante announced that the FY 2011-2012 budget has been approved by the State.

Minutes: Regular Meeting - April 27, 2011
Executive Session - April 27, 2011

A motion to approve the previous minutes was made by Mr. Butler and seconded by Mr. Smolney.

The roll call vote was as follows:

AYES: Donatelli, Smolney, Butler, Galante

NAYS: None

ABSENT: Desai, Testino

ABSENT FROM THE PODIUM: Greene

4 Ayes 0 Nays 2 Absent 1 Absent From Podium

Engineering Reports: Michael Roy, P.E.

Report on Developers for Approval:

Stasi Farm/StasiFarm, LLC/ 1 EDCU (Additional)

- 1. W10-621, Minor Water**
- 2. S10-486, Minor Sewer**

Mr. Roy reported that this project is located on the west side of Englishtown Road across from Mapleton Road. A new office building is being constructed, and the existing residential building will become a second office building. Construction is approximately 140 LF of eight inch (8") DIP and a one inch (1") water service to connect into an existing main in Englishtown Road to service the new 2,734 SF office building on a site which currently has an existing 1,265 SF dwelling (current customer).

Mr. Roy's recommendation is to grant minor water and sewer approval.

A motion to grant W10-621, Minor Water and S10-486, Minor Sewer approval as recommended was made by Mr. Butler and seconded by Mr. Smolney.

The roll call vote was as follows:

AYES: Donatelli, Smolney, Butler, Galante.

NAYS: None.

ABSENT: Desai, Testino.

ABENT FROM THE PODIUM: Greene.

4 Ayes 0 Nays 2 Absent 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: Donatelli, Smolney, Butler, Galante.

NAYS: None.

ABSENT: Desai, Testino.

ABENT FROM THE PODIUM: Greene.

4 Ayes 0 Nays 2 Absent 1 Absent From Podium

Engineering Reports: Michael Roy, P.E.

**1. Sewer Field Services Annual Contract No. S11-154
Award Contract.**

Mr. Roy reported that bids have been received, and the contract is ready to be awarded. This field services contract was originally awarded to Arbe Landscaping and was taken over by B&W Construction Co. of NJ, Inc. until the end of May 2011.

Of the two bidders, B&W Construction Co. of NJ, Inc. was the high bidder; Viking General Contractors was the low bidder at \$94,017.50. Although both prices are competitive, the bid amounts are 40% (forty percent) higher than Arbe Landscaping's unit prices.

Despite a bid protest submitted by B&W Construction Co. of NJ, Inc., Mr. Granata has recommended the contract be awarded to Viking General Contractors.

Mr. Granata explained that there was no basis for the bid protest. The following are B&W Construction Co. of NJ, Inc.'s three reasons for the protest and his reasons for rejecting the same:

- a. Viking did not have New Jersey State Certification prior to May 2011. This has no bearing because Viking General Contractors complies for the contract period.
- b. Viking has not performed work for this type of State Agency. The bid specification did not require State Agency experience, but only similar experience. Viking's experience was not only similar but also extensive in the private area for over twenty years. (Viking assisted in the problem on Englishtown Road.)
- c. B&W Construction Co. of NJ, Inc. doubted the ability of Viking General Contractors to post a performance bond. The Contract does not require the posting of a performance bond, and a bid cannot be rejected until a performance bond is not able to be posted.

Mr. Roy added that Viking General Contractors has posted the necessary bid security to sign the contract.

A motion to award Sewer Field Services Annual Contract No. S11-154 to Viking General Contractors as recommended was made by Mr. Smolney and seconded by Mr. Butler.

The roll call was as follows:

AYES: Desai, Smolney, Butler, Greene, Galante.

NAYS: None.

ABSENT: Testino.

NOT PARTICIPATING: Donatelli.

5 Ayes 0 Nays 1 Absent 1 No Participation

2. Browntown WTP Aerator Cleaning Contract No. W11-155 Award Contract.

Mr. Roy reported that the lowest bidder, A.C. Schultes Inc., has performed work for the Authority in the past. The bid amount is comparable to what has been paid in prior years.

His recommendation is to award the contract to A.C. Schultes Inc., 664 S. Evergreen Avenue, Woodbury Heights, NJ in the amount of \$58,300.00.

A motion to award Browntown WTP Aerator Cleaning Contract No.W11-155 to A.C. Schultes Inc. in the amount of \$58,300.00 as recommended was made by Mr. Butler and seconded by Mr. Smolney.

The roll call was as follows:

AYES: Desai, Smolney, Butler, Greene, Galante.

NAYS: None.

ABSENT: Testino.

NOT PARTICIPATING: Donatelli.

5 Ayes 0 Nays 1 Absent 1 No Participation

3. Owens Road Office Park, Developer Agreements – W209-607, S209-477.

This project is an addition to the existing office park on Owens Road at Rt. 516 and consists of the construction of approximately 390 LF of eight inch (8”) DIP extension of an existing private water main and a 290 LF of eight inch (8”) PVC sanitary sewer to service a proposed 4,947 office building.

Mr. Roy’s recommended countersigning the Developer Agreements in connection with the Final Water and Sewer Approvals granted on February 16, 2011.

A motion to authorize the countersigning of the Owens Road Office Park, Developer Agreement – W209-607, S209-477 as recommended was made by Mr. Smolney and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Desai, Smolney, Butler, Greene, Galante

NAYS: None

ABSENT: Testino

NOT PARTICIPATING: Donatelli

5 Ayes 0 Nays 1 Absent 1 No Participation

4. Johnny on the Spot, W209-608, Water Bond Release

Mr. Roy reported that Johnny on the Spot installed a fire hydrant and water extension on their property and the bond is ready to be released. Installation and testing of water construction is complete and satisfactory. As-built drawings are approved; mylar and electronic copies have been received. All water lines will remain privately owned.

Mr. Roy's recommendation is to release the Water Performance Guarantee conditioned upon the applicant "zeroing out" the escrow account.

A motion to release Johnny on the Spot, W209-608, Water Bond as recommended was made by Mr. Butler and seconded Mr. Smolney.

The roll call vote was as follows:

AYES: Desai, Smolney, Butler, Greene, Galante.

NAYS: None.

ABSENT: Testino.

NOT PARTICIPATING: Donatelli.

5 Ayes 0 Nays 1 Absent 1 No Participation

5. Arbors Pump Station Upgrade, Contract No. A2010-1, Final Quantities Change Order No. 2.

Mr. Roy reported that the Change Order consists of the cost to construct three (3) protective bollards in front of the building and a deduction for contingency work included in the contract. The cost of the Change Order is a minus \$3,140.00 which is a one point eight percent (1.8%) decrease from the amended contract amount of \$177,891.65 to a new contract amount of \$174,751.65.

Together with Change Order No. 1, the overall adjustment in the contract totals a zero point six percent (0.6%) decrease.

Mr. Roy's recommendation is to authorize Final Quantities Change Order No. 2 for the Arbors Pump Station Upgrade, Contract No. A2010-1.

A motion to authorize Final Quantities Change Order No. 2 for the Arbors Pump Station Upgrade, Contract No. A2010-1 as recommended was made by Mr. Butler and seconded by Mr. Smolney.

The roll call was as follows:

AYES: Desai, Smolney, Butler, Greene, Galante.

NAYS: None.

ABSENT: Testino.

NOT PARTICIPATING: Donatelli.

5 Ayes 0 Nays 1 Absent 1 No Participation

Financial Report: Stephen A. Florek II, Comptroller

Mr. Florek stated that the budget approval has been received from the Department of Community Affairs, and the Commissioners may adopt the budget.

Resolution

A motion to approve as recommended the 2011 Adopted Budget Resolution – **Water Division** was made by Mr. Smolney and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Desai, Smolney, Butler, Greene, Galante

NAYS: None

ABSENT: Testino

NOT PARTICIPATING: Donatelli

5 Ayes 0 Nays 1 Absent 1 No Participation

Resolution

A motion to approve as recommended the 2011 Adopted Budget Resolution – **Sewer Division** was made by Mr. Smolney and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Desai, Smolney, Butler, Greene, Galante.

NAYS: None.

ABSENT: Testino.

NOT PARTICIPATING: Donatelli.

5 Ayes 0 Nays 1 Absent 1 No Participation

Rate Hearing

Mr. Florek announced that a Rate Hearing will take place immediately preceding the regular meeting of June 15, 2011.

A motion to approve the Financial Report was made by Mr. Smolney and seconded by Mr. Butler.

AYES: Desai, Smolney, Butler, Greene, Galante

NAYS: None

ABSENT: Testino

NOT PARTICIPATING: Donatelli

5 Ayes 0 Nays 1 Absent 1 No Participation

Legal Report: Louis E. Granata, Esq.

Mr. Granata announced that pending litigation would be discussed Executive Session.

Bills & Claims \$2,642,408.04

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

The roll call was as follows:

AYES: Desai, Smolney, Butler, Greene, Galante

NAYS: None

ABSENT: Testino

NOT PARTICIPATING: Donatelli

5 Ayes 0 Nays 1 Absent 1 No Participation

Old Business:

Brunetti Oaks at Glenwood Development – Status

Mr. Granata stated that this is to be discussed in Executive Session

Recharge Basin Study – Status

Mr. Roy reported that a meeting is being sought with the DEP. CME’s sub-consultant is performing groundwater modeling.

Crossroads, Summerfield, SCADA NJEIT Projects – Status

Mr. Roy reported that these NJEIT projects are proceeding. Conversations are continuing daily with the DEP.

New Business:

None

Open to the Public:

Mrs. Wulster, referring to the two retirees who were rehired at a salary not to exceed \$15,000, inquired how many hours have been worked by these people.

Executive Director Donatelli stated that Mr. Penley declined the offer. Mr. Murphy is being paid at a rate of \$40 per hour and oversees all the DEP operational requirements and reporting.

Mrs. Wulster also inquired about raises for the Authority’s employees.

Executive Director responded that the start of the last raise will occur in June.

Seeing no further hands Chairman Galante closed the public portion.

Executive Session I: A motion was made to go into Executive Session at 7:15 p.m. by Mr. Butler and seconded by Mr. Smolney.

The roll call was as follows:

AYES: Desai, Smolney, Butler, Greene, Galante

NAYS: None

ABSENT: Testino

NOT PARTICIPATING: Donatelli

5 Ayes 0 Nays 1 Absent 1 Not Participation

Regular Meeting Reconvened at 8:00 p.m.

During Executive Session Mr. Granata discussed with the Commissioners the status of the Brunetti Litigation and the Deep Run Homeowners Association Litigation.

The Regular Meeting recessed after coming out of Executive Session at 8:00 p.m. until the arrival of Mr. Brunetti and his representatives.

The Regular Meeting resumed at 8:19 p.m. upon the arrival of Mr. Brunetti and immediately went into Executive Session.

Executive Session II: A motion was made to go into Executive Session at 8:20 p.m. by Mr. Butler and seconded by Mr. Desai.

The roll call vote was as follows:

AYES: Desai, Donatelli, Smolney, Butler, Galante

NAYS: None

ABSENT: Testino

5 Ayes 0 Nays 1 Absent

Regular Meeting Reconvened at 9:07 p.m.

During Executive Session Mr. Brunetti and Mr. Granata discussed the Brunetti Litigation.

Adjournment: A motion was made to adjourn at 9:08 p.m. by Mr. Smolney and seconded by Mr. Greene.

The motion was approved by an ALL AYES vote.

Respectfully submitted:

Kiran Desai, Secretary