

**OLD BRIDGE MUNICIPAL UTILITIES AUTHORITY  
REGULAR MEETING  
November 14, 2011**

Call to Order: The Regular Meeting of November 14, 2011 was called to order at 12:00 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 (arrived @ 12:05 p.m.)  
Nicholas Smolney, Treasurer  
Kiran Desai, Secretary  
Rocco Donatelli, Commissioner (arrived at 12:02 p.m.)  
Reginald Butler, 1<sup>st</sup> Alternate – Assistant Secretary  
Richard Greene, 2<sup>nd</sup> Alternate – Assistant Treasurer

Also present:  
Guy Donatelli, Executive Director  
Michael Roy, P.E.  
Stephen A. Florek II, Comptroller  
Louis 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 for October 2011 as well as the Daily Water Averages for 2009, 2010, and 2011 as included in the Commissioners' packets.

A legal notice advertising additional Board meetings to be held on Wednesday, December 7, 2011 at 7:00 p.m. and Wednesday, January 4, 2012 at 7:00 p.m. in the Municipal Complex was published in the Home News Tribune and the Asbury Park Press. These meetings are being held in conjunction with the deadlines in connection with the NJEIT State Loan Money Program.

Executive Director Donatelli announced that bids and contracts are to be awarded for the following projects:

1. Summerfield Gravity Sewer  
Receive Bids on November 22, 2011  
Award Contract on December 7, 2011
2. Crossroads Sewer  
Receive Bids on December 8, 2011  
Award Contract on December 21, 2011
3. Sewer Division SCADA System  
Receive Bids on December 20, 2011  
Award Contract on January 4, 2012

Executive Director Donatelli stated that the residents of River and Appleby Streets whose homes were condemned as a result of Flooding from Hurricane Irene are seeking relief from water and sewer bills. In order to provide humanitarian assistance to these customers, he requested a legal opinion.

Mr. Roy stated that the services are still connected from the buildings to the street.

Mr. Granata inquired if the buildings had been condemned, and if so, suggested that this courtesy be extended to the date of condemnation.

A motion to grant relief from water and sewer payments to those residents of River and Appleby Streets whose homes have been condemned 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

NOT PARTICIPATING: Donatelli, Testino

5 Ayes      0 Nays      2 No Participation      0 Absent

Previous Minutes: Regular Meeting - October 19, 2011  
Executive Session - October 19, 2011  
Public Rate Hearing - September 21, 2011

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

The roll call was as follows:

AYES: Desai, Donatelli, Smolney, Testino, Galante

NAYS: None

5 Ayes 0 Nays 0 Absent

Engineering Reports: Michael Roy, P.E.

Report on Developers for Approval

**Biondi Avenue – GS Realty Corporation/3 Units**

**1. W208-601, Final Water**

**2. S208-474, Final Sewer**

Mr. Roy reported that this project is for the construction of approximately 75 LF of eight inch (8”) DIP water main to connect into an existing water main in Biondi Avenue to service three (3) single family units. Final Review, Inspection and Connection Fees have been paid. Tentative Approval was granted on January 27, 2010; final Planning Board Approval was granted on September 1, 2009. The Applicant has indicated that the proposed water main and fire hydrant will be dedicated to the Authority.

All technical requirements sufficient for Final Water have been satisfied, and Mr. Roy recommended Final Water Approval subject to the nine conditions listed in his report.

A motion to grant Biondi Avenue – GS Realty Corporation, W208-601, Final Water and S208-474, Final Sewer Approval as recommended was made by Mr. Smolney and seconded by Mr. Butler.

The roll call was as follows:

AYES: Desai, Smolney, Testino, Butler

NAYS: None

NOT PARTICIPATING: Galante, Donatelli

4 Ayes 0 Nays 1 No Participation 0 Absent

Superintendent's 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 vote was as follows:

AYES: Desai, Smolney, Testino, Butler, Galante

NAYS: None

NOT PARTICIPATING: Donatelli

5 Ayes 0 Nays 1 No Participation 0 Absent

Engineering Report: Michael Roy, P.E.

**1. Summerfield Avenue Sewer Replacement – Property Acquisition.**

Mr. Roy reported that in order for the Authority to abandon the gravity sewer behind Lantanna Way due to the unstable slopes adjacent to that easement, the project requires the construction of a sewage pump station located on a parcel of property owned by the Bruzzese Family Partnership.

John DeRose prepared an appraisal of the property for condemnation purposes if necessary, and the appraised value at Block 1010, Lot 867.12 is \$120,000. Mr. Roy recommended that this property be acquired for the purpose of completing the Summerfield Sewer Replacement project.

A motion to authorize through negotiation or condemnation the acquisition of the property known as Block 1010, Lot 867.12 in the amount of \$120,000 to complete the Summerfield Sewer Replacement project as recommended 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      0 Absent

Subsequent to the roll call vote the following discussion took place.

Mr. Granata stated that as a result of the approval of the previous motion, he would contact the property owner to make an offer to purchase the property on behalf of the Authority.

## **2. Marlboro Road Temporary Construction Easement – County Work**

Mr. Roy reported that the Middlesex County Engineering Office is performing drainage improvements along Marlboro Road for which they are requesting a Temporary Construction Easement along a piece of property that the Authority owns at Block 18040, Lot 11, 12 and 13. The County is paying the Authority \$3,800 for the right to use a construction easement on the Authority's property.

Mr. Roy recommended that the Authority execute the Temporary Construction Easement Agreement and accept the compensation of \$3,800 from the County for the use of the property.

A motion to approve the execution of a Temporary Construction Easement Agreement with Middlesex County for the use of Block 18040, Lot 11, 12 and 13 as recommended was made by Mr. Smolney and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Desai, Donatelli, Smolney, Galante

NAYS: None

NOT PARTICIPATING: Testino

4 Ayes            0 Nays            1 No Participation    0 Absent

**3. Deep Run Homeowners Association Settlement Agreement**

Mr. Roy reported that the Homeowners Association for Deep Run has settled on the cost for the Authority to take over the water system within the Deep Run Development. The settlement includes payment by the Association for punch-list and pipe relocation work in the amount of \$130,000 plus a \$13,848.22 repair that was performed by the Authority in 2008. The settlement amount is \$150,000 to be paid over five (5) years - \$30,000 each November beginning in 2012 through 2016.

Mr. Roy recommended the execution of the settlement agreement with the Authority taking over the water system. Upon the anniversary of the agreement, the Deep Run Homeowners Association will be paying \$30,000 per year for the next five years.

A motion to execute a Settlement Agreement between the Deep Run Homeowners Association and the Authority to take over the water system in the amount of \$150,000 to be paid over the next five years in increments of \$30,000 as recommended was made by Mr. Butler and seconded by Mr. Testino.

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    0 Absent

Financial Report: Stephen A. Florek II, Comptroller

Mr. Florek stated that his report was included in the Commissioners' packets. Alluding to a possible MCUA sewer rate increase in 2012, he requested two Commissioners sit on a panel to study the implications of the rate increase. Commissioners Butler and Greene agreed to participate in the study.

Bills & Claims            \$2,406,996.84

A motion to approve Bills & 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    0 Absent

Legal Report:            Louis E. Granata, Esq.

To be discussed in Executive Session.

Old Business:            **Brunetti Oaks at Glenwood Development – Status**  
Mr. Roy stated that this will be discussed in Executive Session.

**Recharge Basin Study – Status**  
Mr. Roy stated that a meeting had been scheduled with the DEP in December with respect to recent information and documentation given to them relating to soil borings at the site.

**Crossroads, Summerfield, Sewer Division SCADA NJEIT Projects – Status**  
Mr. Roy stated that these projects are on schedule.

New Business:            Mr. Desai stated that Mr. Shah, a ratepayer, will be attending the next meeting to address the Commissioners with respect to an excessively high water bill as a result of a water leak.

Executive Director Donatelli stated that the Commissioners would be receiving copies of the contents of Mr. Shah’s file.

Open to Public:            Dr. Greenberg asked for a clarification of Mr. Florek’s statement with respect to a possible MCUA rate increase.

Mr. Florek stated that he requested a subcommittee to review and analyze the MCUA rate increases.

Mr. Greene asked whether calculations were made when a quarterly increase was affected.

Mr. Florek responded that this increase affected the 2011 budget, but he is working on the 2012 budget.

Mr. Roy stated that the MUCA bills the Authority by flow and loadings over the course of the year. The amount is estimated; the Authority pays quarterly; and at the end of the year the figures are adjusted. The numbers measured in the second and third quarters were so high that the engineering department purchased samples to verify the numbers and to determine the high load source.

Mr. Greene requested a clarification as to when these high numbers occurred.

Mr. Florek responded that the amount for the calendar year second quarter (April, May and June) was \$200,000 over budget.

Mr. Roy added that the Authority has been paying the quarterly amount due, but there will be a deficit which will have to be adjusted at the end of the year. Although the amount for the third quarter is off by only \$13,000, the amount for the second quarter is off by \$200,000. Samples will be taken from manholes to determine the source of the high strength load; a check of MCUA's meter chambers will be made; and areas which may be subject to violations will be investigated. The load that is occurring is five times higher than normal.

Dr. Greenberg inquired when a rate increase is anticipated.

Mr. Florek responded that there will have to be a verification of MCUA's numbers.

Dr. Greenberg assumed that if the numbers are accurate, a rate increase will be anticipated. She inquired when a rate increase would go into effect, and if a report would be distributed justifying the reason for the rate increase.

Mr. Florek stated that the rate increase may take place in January or February and that rate hearings are public.



Mr. Roy stated that normal quarterly payments are between 95% to 98% of the actual number.

Seeing no further hands Chairman Galante closed the public portion.

Executive Session: A motion to go into Executive Session at 12:25 p.m. was made by Mr. Galante and seconded by Mr. Smolney.

The roll call vote was as follows:

AYES: Desai, Donatelli, Smolney, Testino, Galante

NAYS: None

5 Ayes            0 Nays            0 Absent

**Regular Meeting Reconvened at 12:45 p.m.**

**During Executive Session Executive Mr. Granata discussed the Brunetti litigation.**

Adjournment: A motion to adjourn at 12:46 p.m. was made by Mr. Smolney and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Desai, Donatelli, Smolney, Testino, Galante

NAYS: None

5 Ayes            0 Nays            0 Absent

Respectfully submitted:

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Kiran Desai, Secretary