

**OLD BRIDGE MUNICIPAL UTILITIES AUTHORITY**  
**REGULAR MEETING**  
**August 15, 2012**

- Call to Order: The Regular Meeting of August 15, 2012 was called to order at 7:06 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 (left the meeting at 8:06 PM)  
Edward Testino, Vice Chairman  
Rocco Donatelli, Commissioner  
Kiran Desai, Secretary  
Richard Greene, Treasurer  
Reginald Butler, 1<sup>st</sup> Alternate – Assistant Secretary  
Anita Greenberg, 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 discussed the Drinking Water Analysis-Monthly Coliform Summary Report Form from the Garden State Laboratories and the Monthly Water Distribution for 2012. Coliform testing has returned to normal testing. All issues have been abated, and all documents have been finalized with respect to the recent "boil water advisory".
- Operator Certification Program**  
Executive Director Donatelli reported that two employees recently passed the Collection System License Exam. Larry Larstanna achieved a C-2 Collection License; Walter Gillins achieved a C-1 Collection License.

**Union Negotiations**

Executive Director Donatelli reported that on August 25, 2012, he will meet with union representatives to begin an exchange of ideas and requests. He will have a report at the next meeting.

**Boil Water Advisory Reimbursement**

Executive Director Donatelli stated that he is waiting for a response to a letter sent to Dennis Doll, president of the Middlesex Water Company, requesting a reimbursement for the costs incurred for the boil water incident.

**2012 Sewer Pump Station Upgrades**

Executive Director Donatelli stated that this project includes new grinders at three sewer pump stations. The bid results will be presented to the Commissioners on September 19, 2012.

**Aging Water Supply Infrastructure**

Executive Director Donatelli referred to an article from the Asbury Park Press published on July 22, 2012 which discusses the need for improvements to aging water systems and the high cost of repairs.

Mr. Desai asked Executive Director Donatelli to approximate the cost of the one hundred man hours expended during the boil water advisory.

Executive Director Donatelli estimated that the cost for the overtime was \$3,000 and the cost of the flushed water was \$5,000.

Mr. Greene inquired about the relation of the summer water usage to current revenue.

Executive Director Donatelli stated that a ten million gallon per day summer usage is an expected average. Although the average usage for the month is below that, the amount is still respectable.

A motion to approve the Executive Director’s Report was made by Mr. Desai and seconded by Mr. Greene.

The roll call was as follows:

AYES: Desai, Donatelli, Greene, Butler, Galante

NAYS: None

ABSENT FROM PODIUM: Testino

5 Ayes            0 Nays            1 Absent from Podium            0 Absent

Previous Minutes: Regular Meeting - July 18, 2012  
Executive Session - July 18, 2012

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

The roll call was as follows:

AYES: Desai, Donatelli, Greene, Butler, Galante

NAYS: None

ABSENT FROM PODIUM: Testino

5 Ayes            0 Nays            1 Absent from Podium            0 Absent

Engineering Reports: Michael Roy, P.E.

Report on Developers for Approval

**Woodhaven Village, Section 2/Woodhaven Village, Inc**

**1. W96-431, Tentative Water – 733 Units + 35 EDCU  
Recreation + 2 Fire Lines = 770 EDCU’s**

Mr. Roy reported that this project, located on the south side of Texas Road west of Marlboro Road and east of Murray Drive, is for the construction of approximately 22,000 LF (4 miles) of eight and twelve inch (8” and 12”) water main to connect into existing water mains in Texas Road and Woodhaven Boulevard and into a proposed private water main in Woodhaven Plaza to service 356 multi-family, 280 townhouse and 97 single family units.

The Authority granted Preliminary Approval as incorporated into the 1998 Woodhaven Agreement; the Township granted Preliminary Planning Board Approval on March 1, 2011.

Lawn irrigation is not included in the application, and if a lawn irrigation system using municipal water is proposed in the future, the plan must be submitted to the Authority to determine the

number of additional EDCU's. All proposed water mains and fire hydrants will be dedicated to the Authority.

Mr. Roy recommended Tentative Water Approval subject to the four conditions outlined in his report.

**2. S96-325, Tentative Sewer – 733 Units + 35 EDCU  
Recreation = 768 EDCU's**

Mr. Roy reported that this project in the same location is for the construction of approximately 27,000 LF (5 miles) of eight, ten and twelve inch (8", 10" and 12") gravity sewer main to connect into the Barclay Brook Truck Sewer which is currently under construction to service 356 multi-family, 290 townhouse and 97 single family units.

The Authority granted Preliminary Approval with the 1983 Woodhaven Agreement. Township Preliminary Planning/Zoning Board Approval was granted on March 1, 2011.

The proposed sanitary sewer mains in residential areas will be dedicated to the Authority, and all proposed sewer lines which will serve the future commercial areas shall remain privately owned and maintained by the Applicant.

Mr. Roy recommended Tentative Sewer Approval subject to the five conditions in his report noting in particular that the Applicant shall fully comply in all respects with the conditions in the report received from R3M, the Consulting Engineer, dated August 8, 2012.

A motion to approve Woodhaven Village, Section 2/Woodhaven Village, Inc. W96-431, Tentative Water and S96-325, Tentative Sewer as recommended was made by Mr. Butler and seconded by Mr. Desai.

The roll call vote was as follows:

AYES: Desai, Butler, Greenberg, Galante

NAYS: None

ABSTAIN: Greene

NO PARTICIPATION: Donatelli

ABSENT FROM PODIUM: Testino

4 Ayes            0 Nays            1 Abstain        1 No Participation  
1 Absent From Podium        0 Absent

Superintendent's  
Report:

Al Lunkenheimer, Superintendent Sewer Division

A motion to approve the Superintendent's Report was made by Mr. Butler and seconded by Mr. Donatelli.

The roll call was as follows:

AYES:            Desai, Donatelli, Greene, Butler, Galante

NAYS:            None

ABSENT FROM PODIUM: Testino

5 Ayes            0 Nays            1 Absent From Podium        0 Absent

Engineering Reports: Michael Roy, P.E.

**1. Redshaw Village, W209-609, S209-478, Developer Agreements**

Mr. Roy reported that the Water and Sewer Agreements for the referenced applications have been prepared and signed in accordance with the Final Water and Sewer Approvals granted on May 23, 2012.

The Developer Agreements consist of the standard language, and the conditions of the Final Water and Sewer Approvals to construct approximately 3,600 LF of eight and six inch (8" and 6") water main to connect into an existing water main in Englishtown Road, and approximately 2,500 LF of eight (8") gravity sewer to connect into an existing gravity sewer in Englishtown Road to service 35,000 SF of commercial space and twenty-one (21) single family units.

The agreements have been signed by the Developer and are ready to be considered for authorization to be countersigned by the Authority.

A motion to approve Redshaw Village, W209-609, S209-478, Developer Agreements as recommended was made by Mr. Desai and seconded by Mr. Donatelli.

The roll call vote was as follows:

AYES: Desai, Donatelli, Greene, Butler, Galante

NAYS: None

ABSENT FROM PODIUM: Testino

5 Ayes            0 Nays            1 Absent From Podium            0 Absent

## **2. Madison Crossing at Birch Hill - W203-536, S203-419, Amended Developer Agreements**

Mr. Roy reported that the Authority had previously entered into Developer Agreements with Madison Crossing at Birch Hill on October 21, 2009 which required payment of connection fees by the Developer in groups of twenty-five (25) units. Due to the decrease in housing sales, the Developer has requested by letter dated June 18, 2012 that the connection fees be paid in groups of five (5) rather than twenty-five (25). The Developer has been occupying approximately twenty (20) units per year for the past two (2) years.

Mr. Roy recommended that this amendment to the Developer Agreements, which reduces the number of connection fee payments from groups of twenty-five (25) to groups of five (5) be approved.

The agreements have been signed by the Developer and are ready to be considered for authorization to be countersigned by the Authority.

A motion to approve Madison Crossing at Birch Hill - W203-536, S203-419, Amended Developer Agreements, as recommended was made by Mr. Desai and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Desai, Donatelli, Greene, Butler, Greenberg

NAYS: None

ABSTAIN: Galante

ABSENT FROM PODIUM: Testino

5 Ayes            0 Nays            1 Abstain            1 Absent From Podium  
0 Absent

Financial Report: Stephan A. Florek, II, Comptroller

**Resolution Approving the Refunding of the 2012A Series Bonds**

A motion to approve the Refunding of the 2012A Series Bonds as recommended was made by Mr. Galante and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Desai, Donatelli, Greene, Butler, Galante

NAYS: None

ABSENT FROM PODIUM: Testino

5 Ayes            0 Nays            1 Absent From Podium            1 Absent

**FY 2012 Closing May 31, 2012**

Mr. Florek reported that a usable retained earnings schedule has been utilized for the budget closing. The Water Division has realized a revenue over budget of \$3,051,000; Sewer Division - \$965,210, the sum of which leaves the Authority with \$244,000 for emergencies in the Water Division.

Accounts Receivables are in the amount of \$3.4 million.

Mr. Greene inquired how much of that money is “bad”.

Mr. Florek responded that none of it is bad because the money is collected through tax sales. Once a bankruptcy is dissolved or the house is sold, the Authority will recoup the money.

Mr. Greene asked what percentage of that money is lost.

Mr. Florek stated that, if anything, the amount would be one-quarter of one percent.

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

The roll call vote was as follows:

AYES: Desai, Donatelli, Greene, Butler, Galante

NAYS: None

NO PARTICIPATION: Testino

5 Ayes          0 Nays          1 No Participation      0 Absent

Legal Report: Louis E. Granata, Esq.

**Manzo Boulevard**

*Chairman Galante recused himself from this discussion and left the podium*

Mr. Granata stated that Manzo has been placed on notice that the Authority was going to call the bond due to lack of installation of a water line. The thirty day extension is now expired.

Mr. Stevens (representing Transco) requested a delay in the discussion to await the arrival of Mr. Anderson.

Bills & Claims

A motion to approve Bills & Claims in the amount of \$2,711,179.46 was made by Mr. Greene and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Desai, Donatelli, Greene, Butler, Testino

NAYS: None

ABSENT FROM PODIUM: Galante

5 Ayes          0 Nays          1 Absent From Podium      0 Absent



Open to Public: Vice Chairman Testino opened a public portion.  
Seeing no hands Vice Chairman Testino closed the public portion.

Old Business: **Brunetti – Oaks at Glenwood Development – Status**  
To be discussed in Executive Session

**Recharge Basin Study – Status**  
To be discussed in Executive Session

New Business: **Water Rate Increase**  
Mr. Greene announced that as a part of a segment on OBTV entitled “Council Commentary”, Mr. McLoughlin has consented to allow him to moderate a panel to discuss the pass-through rate increase from Middlesex Water Company.

Executive Session: A motion to go into Executive Session at 7:30 p.m. was made by Mr. Desai and seconded by Mr. Testino.

The roll call vote was as follows:

AYES: Desai, Donatelli, Greene, Butler, Testino

NAYS: None

ABSENT FROM PODIUM: Galante

5 Ayes            0 Nays            1 Absent From Podium            0 Absent

*Chairman Galante returned to the podium to participate in the Executive Session.*

*The regular meeting resumed at 8:06 PM. During the Executive Session Mr. Granata discussed the Brunetti Litigation and the Recharge Basin Study.*

*Chairman Galante again recused himself from the Manzo discussion and left for the remainder of the meeting.*

Legal Report  
(cont'd):

Louis E. Granata, Esq.

**Manzo Boulevard**

Mr. Stevens (representing Transco) stated that at a previous meeting he requested that the Commissioners consider calling Manzo's bond. It was suggested by the Commissioners that Transco and Manzo make an attempt at a solution. There was a conceptual plan as an interim solution to install a water line across the Johnny on the Spot property. However, the attorneys for Manzo and Johnny on the Spot are not communicating.

Mr. Granata asked Doug Anderson if he were involved in the engineering of the water line.

Mr. Anderson (Transco) responded that he was not; his interest in real estate. However, sixty days has passed, and there is no detailed plan for a water line, and that is unacceptable to Transco.

Mr. Visconi (representing Manzo) disputed the allegation that the attorneys for Manzo have not been working towards a solution. Johnny on the Spot wants to see detailed plans to which all three parties have agreed. Although a right-of-way has not been acquired, Manzo has been moving as quickly as possible.

Mr. Roy stated that he received a copy of a plan depicting a two-inch line from Johnny on the Spot to the wrong building. This plan was to be revised, and they were also to investigate any other buildings for which water service could be provided. He has heard nothing further in over a week.

In June, Mr. Roy spoke to a representative of Maser Consulting (engineers for Manzo) about getting a water line from Johnny on the Spot. He believes that Maser has not yet been authorized to do the survey work to prepare construction plans.

Vice Chairman Testino asked Mr. Roy what information he needs.

Mr. Roy responded that he needs to know if Maser has been authorized to do a survey, and what other buildings on the property are going to be serviced other than the one that currently has sewer service.

Mr. Roy added that the water line was to be installed in an area which Transco did not approve. They want it moved off the road.

Mr. Visconi stated that the engineers were to meet at the site to view the contour of the surface.

Vice Chairman Testino asked for Mr. Roy's suggestion.

Mr. Roy stated that if the Authority were to go after the bond, the Township would have to be involved, and that would complicate the problem. The topography is so extreme that the Authority would need a portion of the township's bonding to do the grading. Although the Authority can wait this out, Transco has the problem.

Mr. Granata stated that the Township has been placed on surety notice and that Transco has seen no progress in thirty days. He asked Mr. Stevens if he would like the Authority to issue a "drop dead" date.

Mr. Stevens responded that he would.

Vice Chairman Testino requested that Mr. Roy submit a list of recommendations by the next meeting. His suggestion is to not belabor this discussion any further.

Dr. Greenberg asked if there were an agreement prior to Transco taking occupancy of the building.

Mr. Granata stated that there was a specific direction that no occupancy of the building would take place unless and until a water meter was installed.

Mr. Desai stated that if there is no agreement within fifteen or thirty days from now, the bond should be called.

Mr. Visconi stated that this was not the MUA's problem.

Mr. Granata argued that statement because Manzo breeched the agreement.

Mr. Visconi stated that the agreement states that there was to be no occupancy before a water meter was installed, but the Township issued a Certificate of Occupancy.

Mr. Stevens stated that it was a Temporary Certificate of Occupancy.

Dr. Greenberg expressed her disappointment that this situation cannot be resolved.

Mr. Desai stated that Manzo always causes problems by not fulfilling their obligations.

Mr. Greene stated that he believes that this is a dispute between two family members.

Vice Chairman Testino asked the Commissioners to set a deadline.

Mr. Butler suggested setting a “drop dead” date, and if there is no resolution, the Authority will contact the bonding company.

A motion to authorize the Authority to notify the bonding company if the Transco/Manzo dispute has not reached a resolution by a deadline date of September 19, 2012 was made by Mr. Desai and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Desai, Donatelli, Greene, Butler, Testino

NAYS: None

ABSENT: Galante

5 Ayes          0 Nays          1 Absent

Adjournment: A motion to adjourn at 8:27 p.m. was made by Mr. Butler and seconded by Mr. Desai.

The motion was approved by an ALL AYES vote.

Respectfully submitted:

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Kiran Desai, Secretary