

**OLD BRIDGE MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
November 9, 2012**

Call to Order: The Regular Meeting of November 9, 2012 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
Rocco Donatelli, Commissioner
Kiran Desai, Secretary (arrived at 12:05 p.m.)
Richard Greene, Treasurer (arrived at 12:02 p.m.)
Reginald Butler, 1st Alternate – Assistant Secretary
Anita Greenberg, 2nd Alternate - Assistant Treasurer

Absent:
None

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

Executive Director's Report: Guy Donatelli, Executive Director

Executive Director Donatelli stated that due to Hurricane Sandy a written report had not been prepared.

During the duration of the power outage, forty (40) facilities were operating on generator power for which over one thousand gallons per day of fuel was needed. On Monday one of Middlesex Water's generator failed, and they requested that the Authority stop taking water. This did not cause a problem because the Authority's facilities have a water supply that is more than adequate to handle the demand this time of year. Middlesex Water was shut off completely at the Bordentown "S" curve, and although a "boil water" advisory was issued by Middlesex Water, Old Bridge was

not affected. Samples are currently being taken, and if clean the Authority will begin accepting Middlesex Water on a limited basis.

Al Lunkenheimer and his staff maintained the sewer pump station generators at all times during this event.

Executive Director Donatelli stated that he had been in touch with the Mayor and the Business Administrator assuring them of the integrity of the water/sewer systems. MCUA had a problem with sewage running into the Raritan Bay, and they have requested the conservation of water.

Mr. Galante commended the Executive Director and his staff for a job well done during this disaster.

Mr. Donatelli asked what savings would be realized from not taking water from Middlesex Water.

Executive Director Donatelli responded that the Authority would realize a savings of approximately \$7500 per day which will offset the cost of fuel and overtime incurred during this event. He commended his staff for their dedication and hard work.

Mr. Testino asked about areas of low pressure in the water system.

Executive Director Donatelli stated that there was a complaint of low pressure from residents of Madison Park which was due to shutting down Middlesex Water and flushing the lines.

Executive Director Donatelli stated that Middlesex Water realizes that until the results of the bacteria testing are clean, there will be no charges to the Authority.

Mr. Testino asked for assurance that the Authority's tanks have the capacity to restore pressure.

Executive Director Donatelli stated that two water treatment plants have a capacity of eight million gallons per day of which only five and one-half are needed at this time of year.

Mr. Roy added that in an emergency such as this one, we would not worry about the groundwater withdrawal limits from the DEP and we would utilize full plant capacity if necessary.

Executive Director Donatelli stated that the garage at the Cliffwood Beach facility was damaged and has been repaired. The

sand has been removed. Fencing needs to be replaced. Although a bulkhead would be ideal, the DEP has resisted this for years.

Dr. Greenberg asked for how long the Authority expects not be taking water from Middlesex Water Co. and what can be expected from FEMA.

Executive Director Donatelli stated that if the bacteria tests are acceptable on Monday, he will begin to introduce water from Middlesex Water Co. into the system on that day. Given the circumstances of this emergency, he predicts a FEMA reimbursement of 100%, but that remains to be seen.

Mr. Roy stated that the DEP was in constant contact with him asking for water and waste water facility locations so that they could put pressure on the power companies to restore power to us as a high priority.

Mr. Butler congratulated the staff for their efforts during this emergency.

Mr. Greene stated he will be sure to highlight at the next Township council meeting a job well done by the staff of the MUA during this disaster

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

The roll call was as follows:

AYES: Desai, Donatelli, Greene, Testino, Galante

NAYS: None

5 Ayes 0 Nays 0 Absent

Previous Minutes: NONE

Engineering Reports: Michael Roy, P.E.
Report on Developers for Approval

NONE

Superintendent's Report: Al Lunkenheimer, Superintendent Sewer Division
NONE

Engineering Reports: Michael Roy, P.E.
NONE

Financial Report: Stephen A. Florek II, Comptroller

Resolution

A motion to adopt Written Post-Issuance Bond Tax Compliance Policies and Procedures was made by Mr. Testino and seconded by Mr. Donatelli.

The roll call vote was as follows:

AYES: Desai, Donatelli, Greene, Testino, Galante

NAYS: None.

5 Ayes 0 Nays 0 Absent

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

Mr. Florek explained that this resolution was suggested as a result of a bond audit by the IRS.

Resolution

A motion to approve the Purchase of Energy Generation Services for Public Use on an Online Auction Website was made by Mr. Desai and seconded by Mr. Testino.

The roll call vote was as follows:

AYES: Desai, Donatelli, Greene, Testino, Galante

NAYS: None.

5 Ayes 0 Nays 0 Absent

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

Mr. Florek explained that this resolution authorizes bids to be taken on an electric contract by means of a reverse online auction.

EMEX is a company which is approved by the State of New Jersey for this auction.

Executive Director's Report (cont'd): Guy Donatelli, Executive Director

Executive Director Donatelli stated that Middlesex Water Company has requested a purchase water adjustment clause increase. In order to meet high demands, Middlesex Water Co. pays a fee for purchased water from NJ American who increased its rates. This is a 1.6% overall increase which is a \$41,000 increase to the budget. Hesser McBride will send a letter requesting intervention.

Mr. Roy stated that it should be determined if Middlesex Water Co. is giving the MUA a fair share of the pass through rate increase.

Dr. Greenberg suggested that a pass-through increase should be noted on the billing statement for MUA customers.

Executive Director Donatelli noted that due to the improvements to infrastructure, in general, there will always be a rate increase from someone.

Financial Report: Stephen A. Florek II, Comptroller
(cont'd)

Mr. Florek stated that the currently there are one hundred customers who have been displaced due to the recent disaster. He suggested amending the current plan to abate the water/sewer charges for one quarter only with a petition thereafter to continue the abatement. The cost for the current abatement is estimated to be \$20,000 per quarter.

Executive Director Donatelli suggested waiting until the end of the quarter to determine how many customers return to their homes.

Mr. Roy offered to obtain a list of displaced customers from the Code Enforcement Department, and based upon the condition of their homes; determine an anticipated date of return.

Legal Report: Anne Zaccardi, Esq.
NONE

Bills & Claims: \$1,654,720.74

A motion to approve Bills & Claims was made by Mr. Testino and seconded by Mr. Greene.

The roll call vote was as follows:

AYES: Desai, Greene, Testino, Butler, Galante

NAYS: None

NO PARTICIPATION: Donatelli

5 Ayes 0 Nays 1 No Participation 0 Absent

Old Business: NONE

New Business: NONE

Open to Public: Seeing no hands Chairman Galante closed the public portion.

Executive Session: NONE

Adjournment: A motion to adjourn at 12:33 p.m. was made by Mr. Butler and seconded by Mr. Testino.

The motion was approved by an ALL AYES vote.

Respectfully submitted:

Kiran Desai, Secretary