

**OLD BRIDGE MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
February 20, 2013**

Call to Order: The Regular Meeting of February 20, 2013 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 (arrived at 7:10 p.m.)
Arthur Haney, Secretary
Reginald Butler, 1st Alternate – Assistant Secretary
Anita Greenberg, 2nd Alternate - Assistant Treasurer (arrived at 8:35p.m.)
Richard Greene, Treasurer

Absent:
Rocco Donatelli, Commissioner

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

Executive Director's
Report: Guy Donatelli, Executive Director

Monthly Water Distribution and Drinking Water Analysis
Executive Director Donatelli discussed the Drinking Water Analysis-Monthly Coliform Summary Report Form from Precision Laboratories and the Monthly Water Distribution for January 2013.

Well No. 2
Executive Director Donatelli stated that redevelopment of Well No. 2 is out to bid; award of a contract is expected in March.

Union Contract
Executive Director Donatelli informed the Commissioners that the Union contract is ready for signing by the Authority and the membership.

Middlesex County Utilities Authority Overpayment Charges

Mr. Roy stated that recently there have been high estimates (in excess of 10%) from the Middlesex County Utilities Authority (MCUA). Upon investigation it was discovered that the figures for the Laurence Harbor chamber were far in excess of what had been normal.

A sampler was placed in the manhole upstream from the meter chamber from which irrefutable data has been collected for over one year. The numbers were at least one half of what the MCUA recorded. Upon investigation, the MCUA discovered that the Laurence Harbor sampler was collecting from an area containing sludge – not representative of what was being sent by the MUA to the MCUA. An adjustment has been made; the sampler has been moved. The projection from the MCUA for this year was to be a \$200,000 additional payment to MCUA that we would have to pay before the new MCUA budget year, which starts January 1st. With the adjustment, the MCUA is writing us a check for \$130,000, which is a \$330,000 total change in our expenses to MCUA. This change is brought about by the Authority's diligence.

Mr. Roy wished to impress upon the Commissioners that the Authority does not merely “roll over” for the MCUA. Although a new challenge will be brought forth to the MCUA by the OBMUA in the fall with the presentation of its budget, the best way to reduce costs to the Authority is to make certain that the measurement charges from the MCUA are accurate.

Mr. Roy emphasized that the MCIA has nothing to do with sewage, but rather manages the county golf courses, recycling, etc. The MCUA collects all sewage in Middlesex County; removes sludge; and sends clean water out to the bay. Drinking water comes from Middlesex Water Company (investor owned) which takes surface water from the Raritan Canal, treats it and sends it to Old Bridge. The township receives 40% of its water from Middlesex Water Company.

Chairman Galante asked Mr. Roy to include the above information in a memo to the Commissioners.

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

The roll call was as follows:

AYES: Greene, Haney, Butler, Galante

NAYS: None

ABSENT: Donatelli, Testino

4 Ayes 0 Nays 2 Absent

Previous Minutes: Regular Meeting - December 19, 2012
Executive Session - December 19, 2012
Regular Meeting - January 16, 2013
Executive Session - January 16, 2013

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

The roll call was as follows:

AYES: Greene, Butler, Galante

NAYS: None

ABSENT: Donatelli, Testino

3 Ayes 0 Nays 2 Absent

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

BP Gold Plaza/BP Gold Plaza/LLC

1. W12-632, Tentative Water – 11 + 2 Fire + 5 Irrigation =18 EDCU's
2. S12-497, Tentative Sewer – 11 EDCU's

Mr. Roy reported that this project located at the corner of Route 9 and Perrine Road on property that surrounds the existing Exxon Station is for the construction of approximately 600 LF of six and eight inch (6" and 8") DIP water main to connect into an existing eight inch (8") main in Perrine Road to service two (2) retail/office buildings totaling 37,687 SF.

The Authority granted Preliminary Approval on May 23, 2012, and Township Final Zoning Board Approval on February 2, 2012.

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

A motion to approve BP Gold Plaza/BP Gold Plaza, LLC W12-632, Tentative Water and S12-497, Tentative Sewer as recommended was made by Mr. Galante and seconded by Mr. Haney.

The roll call was as follows:

AYES: Greene, Haney, Butler, Galante

NAYS: None

ABSENT: Donatelli, Testino

4 Ayes 0 Nays 2 Absent

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. Galante and seconded by Mr. Butler.

The roll call was as follows:

AYES: Greene, Haney, Butler, Galante

NAYS: None

ABSENT: Donatelli, Testino

4 Ayes 0 Nays 2 Absent

Financial Report:

Stephen A. Florek II Comptroller

Mr. Florek stated that he distributed to the Commissioners a tentative 2013-2014 budget schedule which outlines proposed meetings, the approval process, etc. He suggested a budget workshop meeting on March 6, 2013 at 6:30 p.m. If needed, a

second workshop meeting would be held on March 13, 2013 at 6:30 p.m. prior to the regularly scheduled meeting with an additional meeting scheduled for April 17, 2013, if necessary.

If the preliminary budget is approved on March 14, 2013 by the Commissioners and approved by the state, final adoption may occur on April 17, 2013 or May 10, 2013.

A motion to accept the Financial Report was made by Mr. Galante and seconded by Mr. Testino.

The roll call was as follows:

AYES: Greene, Haney, Testino, Butler, Galante

NAYS: None

ABSENT: Donatelli

5 Ayes 0 Nays 1 Absent

Legal Report: Louis E. Granata, Esq.

Mr. Granata stated that matters concerning ongoing and potential litigation would be discussed in closed session.

Mr. Granata stated that the Authority entered into a contract for repairs to the Rams Field Sewer Pump Station, the contractor later entered into default. The bonding company was notified, and the work was completed. The bonding company is offering to settle this matter for \$11,847.90 based upon engineers' reports and estimates. The amount appears accurate.

Mr. Roy stated that the bonding company paid the contractor. This is reimbursement of our own time.

A motion to authorize the Executive Director to execute the release of the bond in connection with repairs to the Rams Field Sewer Pump Station and assignment of \$11,847.90 as recommended was made by Mr. Testino and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Greene, Haney, Testino, Butler, Galante

NAYS: None
ABSENT: Donatelli
5 Ayes 0 Nays 1 Absent

Bills & Claims: \$4,075,910.35

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

AYES: Greene, Haney, Testino, Butler, Galante
NAYS: None
ABSENT: Donatelli
5 Ayes 0 Nays 1 Absent

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

Recharge Basin Study
Mr. Roy stated that he would have a presentation to the Commissioners at a future meeting.

New Business: None.

Open to Public: Virginia Estwanick addressed the Commissioners with respect to minimum usage and current rates charged to consumers.

Mr. Roy stated that everyone is charged a minimum with a surcharge for high-end water users that is based on a regressive scale. In response to complaints by seniors that the threshold was too high, the minimum was dropped to eight thousand gallons. In response to more complaints that the MUA was not doing enough, the minimum was then dropped to six thousand gallons. The low-end user stayed at the same minimum price while everyone else's water rates increased.

Mrs. Estwanick asked why the OBMUA charges much more for water/sewer than Sayreville.

Mr. Roy explained that Sayreville enjoys “host” benefits because a sewage treatment plant is located in that town. He added that the sewer system in Sayreville is much smaller than what exists in Old Bridge.

Mrs. Estwanick stated that the salaries of the employees of the MUA are exorbitant.

Mr. Greene stated that he is unaware of why the debate has escalated to this point. It is unfair that there has been “finger pointing” in the past. The seniors objected to paying for ten thousand gallons of water; then eight thousand. The threshold was lowered to six thousand gallons. Everyone using in excess of six thousand gallons received an increase while those using six thousand or less remained the same. The water rates include treatment, infrastructure, repairs, etc.

Mrs. Estwanick stated that residents of South Amboy pay for only what enters and exits their homes.

Mr. Florek stated that the average user in the Township of Old Bridge uses twenty-four thousand gallons.

Mr. Greene stated that residents of Old Bridge pay \$128.00 per quarter; South Amboy approximately \$131.00. The Authority tried to assist those residents who don’t use a great deal of water. Old Bridge has a set fee for sewage. South Amboy pays \$234 quarterly; Old Bridge charges \$261.00. Old Bridge is right in the middle of sixty towns, and he stands firm on the pricing.

Mrs. Estwanick stated that the residents believe that the MUA is not doing the best for them. A couple in Sayreville paid \$47.75 in 2011 and 2012. With a minimum of nine thousand gallons, the quarterly rate was increased \$50.75 in 2013.

Mr. Haney stated that he empathized with Mrs. Estwanick. The Authority is responsible to attempt to find efficiencies and to reduce costs.

Mrs. Estwanick asked if efficiencies were being sought in salaries.

Seeing no further hands Chairman Galante closed the public portion.

Executive Session: A motion to go into Executive Session at 7:37 p.m. was made by Mr. Galante and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Greene, Haney, Testino, Butler, Galante

NAYS: None

ABSENT: Donatelli

5 Ayes 0 Nays 1 Absent

The Regular Meeting reconvened at 9:10 p.m. During Executive Session Mr. Granata discussed Brunetti litigation and potential litigation. There was also a discussion on drinking water monitoring.

THM Monitor

A motion to authorize the Executive Director to obtain a Lease Agreement for the purchase of a continuous THM monitor, the cost of which for the first three months is \$7,000 followed by a monthly \$2,000 cost until the purpose ends, as recommended was made by Mr. Testino and seconded by Mr. Galante.

The roll call vote was as follows:

AYES: Greene, Haney, Testino, Butler, Galante

NAYS: None

ABSENT: Donatelli

5 Ayes 0 Nays 1 Absent

Perrine Road Tank Mixer

A motion to authorize the preparation of specifications and solicitation of bids for a Perrine Road Tank Mixer as recommended was made by Mr. Testino and seconded by Mr. Galante.

The roll call vote was as follows:

AYES: Greene, Haney, Testino, Butler, Galante

NAYS: None

ABSENT: Donatelli

5 Ayes 0 Nays 1 Absent

Perrine Road Tank Cleaning/Sayrewoods Tank Inspection

A motion to authorize the specifications and solicitation of bids for cleaning the Perrine Road Tank and an inspection of the Sayrewoods Tank as recommended was made by Mr. Testino and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Greene, Haney, Testino, Butler, Galante

NAYS: None

ABSENT: Donatelli

5 Ayes 0 Nays 1 Absent

Non-Union Pay Increases

A motion to authorize commensurate pay increases for non-union employees similar to what was agreed upon and entered into with the labor unions was made by Mr. Galante and seconded by Mr. Greene.

The roll call vote was as follows:

AYES: Greene, Haney, Testino, Butler, Galante

NAYS: None

ABSENT: Donatelli

5 Ayes 0 Nays 1 Absent

Brunetti Litigation – Order of Consent

A motion to authorize Mr. Granata to obtain an Order of Consent to have Justice Hamlin as the Standing Master as recommended was made by Mr. Butler and seconded by Mr. Greene.

The roll call vote was as follows:

AYES: Greene, Haney, Testino, Butler, Galante

NAYS: None

ABSENT: Donatelli

5 Ayes 0 Nays 1 Absent

Adjournment: A motion to adjourn at 9:15 p.m. was made by Mr. Galante and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Greene, Haney, Testino, Butler, Galante

NAYS: None

ABSENT: Donatelli

5 Ayes 0 Nays 1 Absent

Respectfully submitted:

Arthur M. Haney, Secretary