

**OLD BRIDGE MUNICIPAL UTILITIES AUTHORITY  
REGULAR MEETING  
May 10, 2013**

Call to Order: The Regular Meeting of May 10, 2013 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  
Rocco Donatelli, Commissioner  
Reginald Butler, 1<sup>st</sup> Alternate – Assistant Secretary  
Anita Greenberg, 2<sup>nd</sup> Alternate - Assistant Treasurer

Absent:  
Edward Testino, Vice Chairman  
Arthur Haney, Secretary  
Richard Greene, Treasurer

Also present:  
Michael Roy, P.E.  
Michele Smith  
Anne Zaccardi, 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 April 2013.

**Water Supply Materials – Contract W13-165**  
Executive Director Donatelli announced that the bid opening for this Contract will be held on June 11, 2013 for presentation to the Commissioners on June 19, 2013.

**Water and Sewer Rate Structure Analysis**  
Executive Director Donatelli stated that the committee (Executive Director Donatelli, Commissioners Haney and Greene, Stephen Florek, Comptroller and Michael Roy, Engineer) is recommending that Holman Frenia Allison, P.C., special auditor, be appointed to

provide an independent analysis of the current rate structure and make recommendations for the Commissioners' consideration at a rate not to exceed \$7,500.

Dr. Greenberg asked when a rate analysis was last completed and at what cost.

Executive Director Donatelli responded that an analysis was conducted in 2007 at a cost of approximately \$4,000.

Dr. Greenberg stated that although she agrees with the rate analysis, her wish is that the taxpayers would pay more attention to the percentage of their taxes that are attributable to the Board of Education.

A motion to appoint Holman Frenia Allison, P.C. to conduct an independent analysis of the current water/sewer rate structure at a rate not to exceed \$7,500 as recommended was made by Mr. Galante and seconded by Mr. Butler.

The roll call was as follows:

AYES: Butler, Greenberg, Galante

NAYS: None

ABSENT: Greene, Haney, Testino

NO PARTICIPATION: Donatelli

3 Ayes            0 Nays            3 Absent            1 No Participation

**Annual Consumer Confidence Report**

Executive Director Donatelli stated that JM Printing who provided the lowest quote for printing services is preparing the report. The report will be mailed to all customers prior to July 1, 2013.

**THM Monitor Update**

Executive Director Donatelli stated that the THM Monitor was an excellent investment for the Authority. Since its installation THM values were discovered to be high enough to shut off Middlesex water to the ten million gallon tank at Perrine Road until the water tested within an acceptable range. The DEP is in agreement with the Authority's policy as a short-term solution. He anticipates that a long-term solution could take years and millions of dollars.

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: Butler, Greenberg, Galante

NAYS: None

ABSENT: Greene, Haney, Testino

NO PARTICIPATION: Donatelli

3 Ayes            0 Nays            3 Absent            1 No Participation

Chairman's Report: Thomas Galante, Chairman  
None

Previous Minutes: None

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

*Chairman Galante recused himself and left the podium for purposes of the following discussion:*

**Angela Drive Office/T. Galante Properties, LLC**

**1. W207-586, Amended Final Water – 3 + 1 Fire = 4 EDCU's**

Mr. Roy stated that this project located on Angela Drive approximately five-hundred feet (500') north of Rt. 516 across from the existing car wash is for the construction of approximately 115 LF of eight inch (8") DIP water main to connect into an existing private water main on the adjacent lot to service a proposed 11,844 SF office building currently under construction.

The Authority granted Final Approvals on August 20, 2008; Township Final Zoning Board Approval was granted on June 21, 2007. The Applicant is now seeking an amended water approval to change the point of water connection from Hidden Court within the adjacent Whispering Pines Development to the adjacent commercial property.

Mr. Roy recommends the Amended Final Water Approval subject to the twelve conditions outlined in his report.

A motion to approve Angela Drive Office/T. Galante Properties, LLC W207-586, Amended Final Water as recommended was made by Mr. Donatelli and seconded by Mr. Butler.

The roll call was as follows:

AYES: Donatelli, Butler, Greenberg

NAYS: None

ABSENT: Haney, Greene, Testino

ABSENT FROM THE PODIUM: Galante

3 Ayes            0 Nays            3 Absent            1 Absent From Podium

**Walgreens/39 Matawan Road Old Bridge, LLC**  
**2. W12-635, Preliminary & Tentative Water – 4 + 1 Fire + 1**  
**Irrigation = 6 EDCU's**

Mr. Roy stated that this project is for the construction of approximately 260 LF of eight-inch (8”) water main to connect into an existing water main in Laurence Harbor Road to service a proposed 12,705 SF Walgreens located at the intersection of Matawan Road and Cheesequake-Morristown Road at the site of the former Exxon gas station.

Mr. Roy recommends approval subject to the four conditions outlined in his report.

A motion to approve Walgreens/39 Matawan Road Old Bridge, LLC W12-635, Preliminary & Tentative Water as recommended was made by Mr. Donatelli and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Donatelli, Butler, Greenberg

NAYS: None

ABSENT: Greene, Haney, Testino

ABSENT FROM THE PODIUM: Galante

3 Ayes            0 Nays            3 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. Donatelli and seconded by Mr. Butler.

The roll call was as follows:

AYES:            Donatelli, Butler, Greenberg, Galante

NAYS:            None

ABSENT:        Greene, Haney, Testino

4 Ayes            0 Nays            3 Absent

Engineering Reports: Michael Roy, P.E.

**1. Water Division Chemical Supplies Annual**

**Contract – 1-Year Extension:**

**A. Chemical Equipment Labs – Bagged Lime & Chlorine**

**B. Geer Lime Company – Bulk Lime**

**C. USALCO, LLC – Stern-Pac**

Mr. Roy stated that the current contracts awarded on May 23, 2012 provide for an extension of up to two (2) years upon mutual agreement of both parties using the NJDCA "Index Rate" (currently 2%) for any price adjustments in accordance with the Public Contracts Law. Mr. Roy recommended a one (1) year extension for each contract.

A motion to approve Water Division Chemical Supplies Annual Contract – One-Year Extension to Chemical Equipment Labs (Bagged Lime & Chlorine); Geer Lime Company (Bulk Lime); and USALCO, LLC (Stern Pac) as recommended was made by Mr. Galante and seconded by Mr. Butler.

The roll call was as follows:

AYES: Donatelli, Butler, Greenberg, Galante

NAYS: None

ABSENT: Greene, Haney, Testino

4 Ayes 0 Nays 3 Absent

**2. Sewer Division Field Services – 1-Year Contract Extension to Viking General Contractors.**

Mr. Roy stated that the current contract awarded to Viking General Contractors on May 23, 2012 provides for a one-year extension upon mutual agreement of both parties using the NJDCA “Index Rate” (currently 2%) for any price adjustments in accordance with the Public Contracts Law. Mr. Roy recommended a one (1) year extension.

A motion to approve Sewer Division Field Services – 1 Year Contract Extension to Viking General Contractors as recommended was made by Mr. Galante and seconded by Mr. Butler.

The roll call was as follows:

AYES: Donatelli, Butler, Greenberg, Galante

NAYS: None

ABSENT: Greene, Haney, Testino

4 Ayes 0 Nays 3 Absent

**3. Sewer Division Chemical Supplies Annual Contract – Award Contract No. S13-163 to Siemens Water Technologies Corp.**

Mr. Roy stated that this contract had expired, and the lone bidder has supplied the specified chemical during the current annual contract. The unit price in this bid is six point one percent (6.1%) higher than the current unit price. This increase is expected to

increase the annual cost for this chemical by \$9,485.00. Mr. Roy recommended awarding the contract to Siemens.

A motion to award the Sewer Division Chemical Supplies Annual Contract No. S13-163 to Siemens Water Technologies Corp. as recommended was made by Mr. Butler and seconded by Mr. Galante.

The roll call was as follows:

AYES: Donatelli, Butler, Greenberg, Galante

NAYS: None

ABSENT: Greene, Haney, Testino

4 Ayes            0 Nays            3 Absent

**4. Sewer Division Industrial Lab Testing Annual Contract –Award Contract No. S13-164 to Aqua Pro-Tech Laboratories**

Mr. Roy stated that this contract also expired and was rebid. Out of the four bids submitted, the lowest bidder has submitted prices that are six point six percent (6.6%) higher than last year's unit price. The services under this contract are for the testing of the sewage strength from the Authority's three industrial customers for the purpose of billing. Mr. Roy recommended awarding this contract to Aqua Pro-Tech Labs.

A motion to award the Sewer Division Industrial Lab Testing Annual Contract No. S13-164 to Aqua Pro-Tech Laboratories as recommended was made by Mr. Butler and seconded by Mr. Donatelli.

The roll call was as follows:

AYES: Donatelli, Butler, Greenberg, Galante

NAYS: None

ABSENT: Greene, Haney, Testino

4 Ayes            0 Nays            3 Absent

**5. Submersible Tank Mixer – Award Contract No. W13-162 to Utility Service Co.**

Mr. Roy stated that the submersible tank mixer is to be installed within the Perrine Road ten million gallon water storage tank to eliminate any stagnant areas within the tank by providing a more complete mixing of the water resulting in a lesser chance for the formation of disinfection by-products. The cost is \$73,160.00. Mr. Roy recommended awarding this contract to Utility Service Co.

A motion to award the Submersible Tank Mixer Contract No. W13-162 to Utility Service Co. as recommended was made by Mr. Butler and seconded by Mr. Donatelli.

The roll call was as follows:

AYES: Donatelli, Butler, Greenberg, Galante

NAYS: None

ABSENT: Greene, Haney, Testino

4 Ayes          0 Nays          3 Absent

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

Dr. Greenberg asked if this installation would alleviate the problem.

Mr. Roy stated that this addresses the ten percent of the problem that he believes to be the Authority's.

Executive Director Donatelli stated that this would blend the water. Even if there may be high THM's for a day or so, they will now blend. The evidence was clearly shown at a seminar of how effective this product is.

Mr. Roy stated that the Authority would like to place this type of mixer in all of its tanks. Regulations require "sites" to be reported on throughout the distribution system. Perrine Road is the only area showing THM high spots because of receiving surface water.



**6. Phase III Runyon Trunk Sewer - DEP Treatment Works Approval.**

Mr. Roy stated that this is the third part of the sewer construction to be completed from the 1995 Brunetti sewer agreement which will extend from the end of Phase II construction and terminate on the east side of Rt. 9. Mr. Roy recommended approving this project for construction.

A motion to approve Phase III Runyon Trunk Sewer - DEP Treatment Works as recommended was made by Mr. Donatelli and seconded by Mr. Butler.

The roll call was as follows:

AYES: Donatelli, Butler, Greenberg, Galante

NAYS: None

ABSENT: Greene, Haney, Testino

4 Ayes            0 Nays            3 Absent

**7. Laurence Harbor Bulkhead – Engineering Permit Application Services to Alaimo Associates**

Mr. Roy stated that in the aftermath of Super Storm Sandy it has become more obvious for the need to construct a bulkhead to protect the facilities along the Raritan Bay. In the past the DEP has expressed its negativity towards this project. He recommends authorizing Alaimo Associates to prepare an application to the NJDEP for the construction of a bulkhead along the property at 71 Boulevard West. Engineering Services to prepare the application is estimated to be an amount not to exceed \$25,000. The tasks would include a survey, preliminary design, permit application and correspondence with the DEP.

A motion to approve Laurence Harbor Bulkhead – Engineering Permit Application Services to Alaimo Associates as recommended was made by Mr. Donatelli and seconded by Mr. Butler.

The roll call was as follows:

AYES: Donatelli, Butler, Greenberg, Galante

NAYS: None

ABSENT: Greene, Haney, Testino

4 Ayes          0 Nays          3 Absent

Financial Report: Michele Smith

Ms. Smith stated that revenues are expected to be in excess of the budget by approximately \$1.3 million through year-end; expenses are approximately \$2.6 million under budget by year-end. Anticipated earnings for the fiscal year are \$3.9 million. Usable retained earnings will be reduced by \$1.4 million.

If an independent amendment to the New Jersey State Constitution allowing more seniors eligible for a tax reduction is approved, will reduce the income level from \$10,000 to \$20,000 and will make more seniors eligible for a 20% discount on the water/sewer charges.

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

The roll call was as follows:

AYES: Donatelli, Butler, Greenberg, Galante

NAYS: None

ABSENT: Greene, Haney, Testino

4 Ayes          0 Nays          3 Absent

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

Dr. Greenberg asked how the anticipated excess revenue amount of \$1.3 million was derived.

Ms. Smith responded that water charges are higher.

Dr. Greenberg stated that the increase in water rates was passed through from Middlesex Water Company.

Executive Director Donatelli stated that the Authority did not recoup all the retained earnings that was put into the budget to balance it. If the money is not generated now, it will not be available for next year's budget. The Authority is constantly funding its budget from the bank.

Legal Report: Anne Zaccardi, Esq.

Ms. Zaccardi stated that there is a proposed amendment to the AT&T lease agreement due to the requirement of the installation of generators at the Authority's sites. In Paragraph 4 of the amendment AT&T requests that in the future if AT&T is required to make any other changes due to changes in regulations or statutes, they may do so without paying additional rent and that they can add, modify or replace equipment in order to be in compliance. The proviso was added that the modification may not increase the size and location of the equipment.

A motion to approve the Legal Report was made by Mr. Galante and seconded by Mr. Butler.

The roll call was as follows:

AYES: Donatelli, Butler, Greenberg, Galante

NAYS: None

ABSENT: Greene, Haney, Testino

4 Ayes          0 Nays          3 Absent

Bills & Claims          \$3,287,084.25

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

The roll call was as follows:

AYES: Donatelli, Butler, Greenberg, Galante

NAYS: None

ABSENT: Greene, Haney, Testino

4 Ayes            0 Nays            3 Absent

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

**Disinfection By-Products (DBP) Regulations and Monitoring**  
Discussed Previously

New Business:            None

Open to Public:            **Mayor Owen Henry**  
Mayor Henry stated that his attendance at various homeowner association meeting reveals dissatisfaction with the OBMUA. Although he realizes that the Authority has been devastated by the previous Township administration, he implored the Commissioners to give him information to share with the public with respect to a proposed action plan to stabilize water/sewer rates.

He discovered that the residents of Bridgepointe are responsible for the water main connections and expend exorbitant amounts of money for repair fees as a result of acid salts.

Executive Director Donatelli stated that this development is a PUD that does not build to the Authority's standards. The builders assumed ownership and passed that on to the homeowners who never paid their fair share to become a part of the system. Fortunately, that practice no longer exists. The Authority has no legal liability to the residents of Bridgepointe.

Mayor Henry asked to open Spring Valley Road.

Mr. Roy stated that the work is on schedule. The road should open sometime in July.

Executive Director Donatelli offered to give the Mayor a bi-weekly status.

Mr. Roy offered to attend a homeowners' meeting.

Mayor Henry asked if the new sewer main was going to service Plaza Grande.

Mr. Roy stated that the new main will service areas along Rt. 18, i.e., Walmart, the nursing home, etc.

Mayor Henry stated that the developers of Redshaw Village wanted to close Englishtown Road for three days for a sewer connection.

Executive Director Donatelli stated that the Authority would not be involved. That is a matter of public safety and would be decided upon between the Contractor and the Old Bridge Police.

Seeing no further hands Chairman Galante closed the public portion.

Executive Session: A motion to go into Executive Session at 12:45 p.m. was made by Mr. Galante and seconded by Mr. Butler.

The roll call was as follows:

AYES: Donatelli, Butler, Greenberg, Galante

NAYS: None

ABSENT: Greene, Haney, Testino

4 Ayes          0 Nays          3 Absent

**During Executive Session Ms. Zaccardi discussed Brunetti litigation and a Middlesex Water Lab Testing proposed agreement.**

Adjournment: A motion to adjourn at 1:01 p.m. was made by Mr. Galante and seconded by Mr. Donatelli.

The motion was approved by an ALL AYES vote.

Respectfully submitted,

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Arthur M. Haney, Secretary