

OLD BRIDGE MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
August 21, 2013

Call to Order: The Regular Meeting of August 21, 2013 was called to order at 7:00 p.m. with the Pledge of Allegiance by Thomas Galante, Chairman.

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
Richard Greene, Treasurer
Rocco Donatelli, Commissioner
Reginald Butler, 1st Alternate – Assistant Secretary
Anita Greenberg, 2nd Alternate - Assistant Treasurer

Absent:
Arthur Haney, Secretary

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 Analytical Labs and the Monthly Water Distribution for July 2013. Water usage is down approximately one million gallons per day from last year at this time, which is attributable to the wet and cool summer.

THM Monitor Update

Executive Director Donatelli stated that a meeting was recently held with the DEP and Middlesex Water Company to address the THM problem. Middlesex Water has agreed to install a carbon filter at the Perrine Road facility at their expense with the consent of the DEP. A letter has been received from the DEP stating their

approval. Middlesex Water expressed its intention to present the DEP approval letter to the BPU for a rate increase.

Executive Director Donatelli recommended accepting bids for the purchase of the THM monitor since it is only being leased now and it will become an essential part of the operations of the Authority.

Crossroads Sewer Project (Texas Road Closure)

Executive Director Donatelli stated that a meeting was held with the Township, the police and fire departments, the OEM and the contractor to coordinate efforts for the temporary closure of Texas Road. The affected area is between Rt. 9 and Marlboro Road.

Operator Certification

Executive Director Donatelli announced that Walter Tier achieved the classification of T-3 for water treatment; William Stefanelli achieved the classification of C-3 for wastewater collection.

County Drainage – Cottrell Road

Executive Director Donatelli stated that Middlesex County is preparing to perform roadway improvements on Cottrell Road and has requested that the Authority do test pits to determine if any conflicts exist with the water mains in the right-of-way.

Because the Authority would bear the cost of this work in addition to any relocation work due to conflicts found during this design, Executive Director Donatelli believes that this expense is being unfairly placed on the taxpayers of Old Bridge because taxes paid to the County pay for these projects.

Mr. Roy stated that the cost of these test pits is \$10,000 plus the cost of police traffic control. Additional costs of moving water mains for the County work would adversely impact the Authority's budget.

A motion to accept the Executive Director's report was made by Mr. Galante and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Greene, Testino, Butler, Greenberg, Galante

NAYS: None

NO PARTICIPATION: Donatelli

ABSENT: Haney
5 Ayes 0 Nays 1 No Participation 1 Absent

Previous Minutes: Regular Meeting - July 17, 2013
Executive Session - July 17, 2013

A motion to approve the previous minutes was made by Mr. Donatelli and seconded by Mr. Butler.

The roll call was as follows:

AYES: Donatelli, Greene, Testino, Butler, Galante

NAYS: None

ABENT: Haney

5 Ayes 0 Nays 1 Absent

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

Harbor Plaza/301 Harbor Plaza, LLC

1. W12-634, Minor Water – 3 + 1 Irrigation + 1 Fire = 5 EDCU’s
2. S12-499, Minor Sewer – 3 EDCU’s

Mr. Roy stated that this project located on the northbound side of Rt. 35 approximately one hundred feet (100’) north of Laurence Parkway (the site of the former Harborside Pub and McKittrick’s) is for the construction of approximately 200 LF of eight inch (8”) DIP through an adjacent lot to connect into an existing main in Shoreland Circle to service a proposed 9,495 SF shopping center. The water and sewer are being tied in through a twenty-foot utility easement behind Amboy Bank onto Shoreland Circle.

Minor review, inspection and connection fees have been paid. Township final Planning Board approval was granted on February 12, 2012. All technical requirements sufficient for Minor Water and Sewer Approval have been satisfied.

Mr. Roy recommended Minor Water and Minor Sewer Approval subject to the eleven conditions outlined in his Minor Water

Application Report and the ten conditions outlined in his Minor Sewer Application Report.

A motion to approve Harbor Plaza/301 Harbor Plaza, LLC W12-634, Minor Water and S12-499, Minor Sewer as recommended was made by Mr. Testino and seconded by Mr. Greene.

The roll call was as follows:

AYES: Donatelli, Greene, Testino, Butler, Galante

NAYS: None

ABENT: Haney

5 Ayes 0 Nays 1 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. Butler and seconded by Mr. Galante.

The roll call was as follows:

AYES: Donatelli, Greene, Testino, Butler, Galante

NAYS: None

ABENT: Haney

5 Ayes 0 Nays 1 Absent

Engineering Reports: Michael Roy, P.E.

1. Raritan Bay Medical Center Office, W12-636, S12-501, Developer Agreements.

Mr. Roy stated that the Water and Sewer Developer Agreements for the referenced applications have been prepared and signed in accordance with the Final Water and Sewer Approvals granted on June 19, 2013.

The Developer Agreements consist of the standard language, and the conditions of the Final Water and Sewer Approvals to construct approximately 450 LF of eight inch and six inch (8" and 6") DIP water main connecting into an existing on-site water main in two (2) locations and approximately 25 LF of six inch (6") sewer lateral connecting into an existing on-site gravity sewer main to service a 93,444 SF, four-story office building.

A motion to authorize signing the Raritan Bay Medical Center Office Water Developer's Agreement for Water Application No W12-636 and Sewer Application No S12-501 as recommended was made by Mr. Testino and seconded by Mr. Greene.

The roll call was as follows:

AYES: Greene, Testino, Butler, Greenberg, Galante

NAYS: None

NO PARTICIPATION: Donatelli

ABSENT: Haney

5 Ayes 0 Nays 1 No Participation 1 Absent

2. Water Meter Annual Contract W13-167, Award Contract

Mr. Roy stated that sealed bids were opened on August 6, 2013. The lowest bidder, Rio Supply, Inc., has not taken any exceptions on its bid proposal and has submitted unit prices that are on average two point five percent (2.5%) lower than last year's prices.

A motion to award Water Meter Annual Contract W13-167 to Rio Supply, Inc. as recommended was made by Mr. Testino and seconded by Mr. Greene.

The roll call was as follows:

AYES: Donatelli, Greene, Testino, Butler, Galante

NAYS: None

ABSENT: Haney

5 Ayes 0 Nays 1 Absent

3. Radio Frequency Meter Reading Equipment, W13-168, Award Contract.

Mr. Roy stated that sealed bids were opened on August 6, 2013. The lone bidder, Floyd S. Salser, Jr. & Associates doing business as (dba) MARS Company, was the Authority's previous contract vendor. The unit price bid for the meter transponders is the same price as the last contract. The hardware item is eleven percent (11%) higher than the last contract.

Although the MARS Company has requested a waiver of the Performance Bond requirements since their warranty covers the performance of the equipment, Mr. Granata disagrees and a performance bond will be required.

A motion to award Contract No W13-168 Radio Frequency Meter Reading Equipment to Floyd S. Salser, Jr. & Associates doing business as (dba) MARS Company subject to posting a performance bond as recommended was made by Mr. Testino and seconded by Mr. Butler.

The roll call was as follows:

AYES: Donatelli, Greene, Testino, Butler, Galante

NAYS: None

ABSENT: Haney

5 Ayes 0 Nays 1 Absent

4. Redevelopment of Well No. 2, Final Quantities Change Order

Mr. Roy explained that this Change Order to A.C. Schultes, Inc. is for the additional CCTV inspection that was performed on the well to view the integrity of the well screen prior to redevelopment work. The actual amount of chemicals and replacement items used during the work was less than the contract amount, and there was no need for well cleaning and miscellaneous work provided for in the contract documents.

The total cost of the Change Order is a *minus* \$17,635 that is a twenty-five point four percent (25.4%) decrease of the original contract amount of \$69,405 to a new contract amount of \$51,770.

A motion to approve Redevelopment of Well No. 2, Final Quantities Change Order as recommended was made by Mr. Testino and seconded by Mr. Galante.

The roll call was as follows:

AYES: Greene, Testino, Butler, Greenberg, Galante

NAYS: None

NO PARTICIPATION: Donatelli

ABSENT: Haney

5 Ayes 0 Nays 1 No Participation 1 Absent

5. 2012 Sewer Pump Station Upgrades, Change Order No. 1 (No Cost Extension of Time)

Mr. Roy stated that this Change Order consists of a 174 day extension of time (the contract period has expired) for various reasons including delays due to changing the proposed emergency standby generator at Brookside Sewer Pump Station to be powered by natural gas instead of diesel fuel, and design revisions at both the Lakeridge West and Brookside Sewer Pump Stations to accommodate future electrical improvements and to avoid a conflict with the installation of the proposed mechanical manlift.

A motion to approve the 2012 Sewer Pump Station Upgrades, Change Order No. 1 (No Cost Extension of Time) as recommended was made by Mr. Testino and seconded by Mr. Butler.

The roll call was as follows:

AYES: Donatelli, Greene, Testino, Butler, Galante

NAYS: None

ABSENT: Haney

5 Ayes 0 Nays 1 Absent

6. Repainting Perrine Road 10MG Water Storage Tank, Authorize Engineering Services to CME

Mr. Roy stated that a remote CCTV inspection of the Perrine Road 10 MG water storage tank constructed in 1991 indicated widespread corrosion occurring on the steel shell and structural columns inside the tank. The original coating with the cathodic protection system is near the end of its useful life. There is a need to repaint the tank to protect its structural integrity and to continue its reliability.

CME has prepared a proposal for Engineering Services (estimated fee - \$19,696) to prepare the required Planning Documents to meet the DEP Infrastructure Trust Fund deadline of October 7, 2013.

The preliminary construction cost estimate is \$1.25 million dollars. The scope of the work consists of sand blasting and recoating the interior and exterior of the Perrine Road 10MG water storage tank, replacing the cathodic protection system, and installing additional access and piping to aid in future compliance with the EPA Disinfection By-Product Rule.

A motion to authorize engineering services to CME for the Repainting Perrine Road 10MG Water Storage Tank as recommended was made by Mr. Butler and seconded by Mr. Galante.

The roll call was as follows:

AYES: Greene, Testino, Butler, Greenberg, Galante

NAYS: None

NO PARTICIPATION: Donatelli

ABSENT: Haney

5 Ayes 0 Nays 1 No Participation 1 Absent

7. Water Division SCADA System Upgrade, Authorize Engineering Services to CME

Mr. Roy stated that the Water Division SCADA system installed in 1995 provides information to more efficiently operate the water distribution system and now needs to be upgraded.

CME has prepared a proposal for Engineering Services (estimated fee - \$21,816) to prepare the required Planning Documents to meet the DEP Infrastructure Trust Fund deadline of October 7, 2013.

The preliminary construction cost estimate is \$0.75 million dollars. The scope of the work for this project consists of upgrading the computers, software and radio transmitters at the three (3) booster stations, eight (8) water storage tanks and two (2) drinking water treatment plants within the Authority's Water Distribution System.

A motion to authorize engineering services to CME for the Water Division SCADA System Upgrade as recommended was made by Mr. Donatelli and seconded by Mr. Testino.

The roll call was as follows:

AYES: Donatelli, Greene, Testino, Butler, Galante

NAYS: None

ABSENT: Haney

5 Ayes 0 Nays 1 Absent

Financial Report: Stephen A. Florek II, Comptroller

Resolution

A motion to authorize the application to the NJEIT for the financing of interim notes and bonds for the acquisition, construction, renovation and/or installation of water projects was made by Mr. Galante and seconded by Mr. Greene.

The roll call vote was as follows:

AYES: Donatelli, Greene, Testino, Butler, Galante

NAYS: None

ABSENT: Haney

5 Ayes 0 Nays 1 Absent

Mr. Florek stated that included in the Commissioners' packets is a preliminary income statement. There is \$1,050,000 in retained earnings. He anticipates that the audit should be completed prior to the next meeting of the Commissioners.

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

The roll call was as follows:

AYES: Donatelli, Greene, Testino, Butler, Galante

NAYS: None

ABSENT: Haney

5 Ayes 0 Nays 1 Absent

Legal Report:

Louis E. Granata, Esq.

Mr. Granata stated that he would be discussing ongoing litigation in closed session. The subdivision application is scheduled to be heard by the Planning Board on September 10, 2013.

The Appellate Division has scheduled a hearing on the Brunetti litigation on September 9, 2013. The Brunetti RICO matter trial is presently scheduled for September 30, 2013.

Mr. Granata stated that he has been trying to schedule a meeting with the Township Attorney to review the service agreement to no avail. In addition, it is critical that he speak with the Township Attorney regarding a matter with respect to the construction of Manzo Boulevard. After a series of phone calls, there has been no response from Mr. Roselli.

Bills & Claims: A motion to approve Bills & Claims in the amount of \$3,318,105.83 was made by Mr. Greene and seconded by Mr. Butler.

The roll call vote was as follows:

AYES: Donatelli, Greene, Testino, Butler, Galante

NAYS: None

ABSENT: Haney

5 Ayes 0 Nays 1 Absent

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

Disinfection By- Products (DBP) Regulations and Monitoring Update – discussed in Executive Director’s Report

New Business: None

Open to Public: Chairman Galante opened a public portion.

Mr. Cahill (referring to Item Nos. 6 and 7 in the Engineering Report) inquired if these items were no bid contracts.

Mr. Granata responded that these are existing contracts with the Consulting Engineering Firms.

Mr. Cahill asked if there were a process to solicit less expensive contracts.

Mr. Roy stated that the Authority follows the procedures of the “Pay to Play” Law and these Consulting Engineers are appointed at the annual Reorganization Meeting of the Authority.

Mr. Greene stated that this contract is awarded via the “fair and open process”- the same procedure followed by the Township of Old Bridge.

Seeing no further hands Chairman Galante closed the public portion.

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

The roll call was as follows:

AYES: Donatelli, Greene, Testino, Butler, Galante

NAYS: None

ABSENT: Haney

5 Ayes 0 Nays 1 Absent

The Regular Meeting reconvened at 8:08 p.m.

During Executive Session Mr. Granata discussed litigation matters pertaining to Brunetti and Manzo.

Adjournment: A motion to adjourn at 8:09 p.m. was made by Mr. Testino and seconded by Mr. Galante.

The motion was approved by an ALL AYES vote.

Respectfully submitted:

Arthur M. Haney, Secretary