

**OLD BRIDGE MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
November 17, 2014**

Call to Order: The Regular Meeting of November 17, 2014 was called to order at 12:00 p.m. with the Pledge of Allegiance by Arthur Haney, Chairman.

Announcement: Chairman Haney 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:
Arthur Haney, Chairman
Richard Greene, Vice Chairman
Edward Testino, Secretary (arrived at 12:13 p.m.)
Anita Greenberg, Treasurer
Rocco Donatelli, Assistant Secretary
Brian Cahill, 2nd Alternate

Absent:
Frank Weber, 1st Alternate Assistant Treasurer

Also Present: Guy Donatelli, Executive Director
Stephen A. Florek, Comptroller
Michael Roy, P.E.
Mitchell B. Jacobs, Esq.
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 October 2014.

Rt. 516 Fuel Storage Facility
Executive Director Donatelli stated that the project for a new emergency fuel storage facility located at the Rt. 516 maintenance garage is now out to bid. The recommendation for the award of the contract will be presented to the Commissioners at the meeting of December 17, 2014.

Perrine Road 10MG Water Storage Tank Repainting

Executive Director Donatelli stated that the project for the repainting of the 10MG water storage tank at Perrine Road is now out to bid. The recommendation for the award of the contract will be presented to the Commissioners at the meeting of December 17, 2014.

Retirement of Comptroller

Executive Director Donatelli stated that Mr. Florek will be retiring as of January 31, 2015, and his recommendation is to promote Michele Smith to Acting Comptroller. In addition, a contractual agreement describing the terms and conditions of the position should be entered into with Ms. Smith. The compensation will be discussed in Executive Session.

Right to Know Program

Executive Director Donatelli stated that he sent proposals from Skyline Environmental Inc., the training specialist, to the Commissioners for review. The State of New Jersey Department of Health mandatory survey of the chemicals used by the Authority must be submitted electronically. The Water and Sewer Division computers have been registered for this submission. Skyline has submitted an estimate of \$17,220 for preparation of the Sewer Division report, and \$15,280 for the Water Division report. The rates are in accordance with the Training Specialist’s contract with the Authority, and are reasonable for the scope of work to be provided.

A motion to approve a contract with Skyline Environmental, Inc. for the Water Division in the amount of \$17,220.00 and for the Sewer Division in the amount of \$15,280 for preparation of mandatory reports to be submitted to the NJ Department of Health in connection with the Right to Know program was made by Mr. Donatelli and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Donatelli, Greenberg, Greene, Cahill, Haney

NAYS: None

ABSENT: Testino, Weber

5 Ayes 0 Nays 2 Absent

Chairman's Report: Arthur M. Haney, Chairman

Mr. Haney stated that the Authority is moving forward on the refunding of the 2004 Series A Bond from which a \$254,000 savings is anticipated. Mr. Haney thanked Mayor Henry and his administration for their support.

Previous Minutes: **Regular Meeting - September 17, 2014**

A motion to approve the previous Regular Meeting minutes of September 17, 2014 was made by Mr. Haney and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Donatelli, Greenberg, Greene, Haney

NAYS: None

ABSTAIN: Cahill

ABSENT: Testino, Weber

4 Ayes 0 Nays 1 Abstain 2 Absent

Executive Session - September 17, 2014

A motion to approve the previous Executive Session minutes of September 17, 2014 was made by Mr. Donatelli and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Donatelli, Greenberg, Greene, Haney

NAYS: None

ABSTAIN: Cahill

ABSENT: Testino, Weber

4 Ayes 0 Nays 1 Abstain 2 Absent

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

Town Center Residential/Cottrell Court Townhouses, LLC

- 1. W11-629, Tentative Water – 12 + 2 Irrigation = 14 EDCU's**
- 2. S11-494, Tentative Sewer – 12 EDCU's**

**TENTATIVE WATER APPLICATION
RECOMMEND APPROVAL**

APPLICATION NUMBER: W11-629

DATE: November 14, 2014

APPLICANT: Cottrell Court Townhomes, LLC

DEVELOPMENT NAME: Town Center Residential

TYPE: ATTACHED RESIDENTIAL

USE: DOMESTIC AND IRRIGATION

BLOCK/LOT: 14263/4 (11.5 Acres)

NO. OF UNITS: 12 + 2 Irrigation = 14 EDCU'S

LOCATION: On the west side of Cottrell Road approximately 500 feet south of Route 516 between Rosegate Condominiums and The Town Center Shopping Center.

DESCRIPTION: Construction of approximately 350 LF of eight inch (8") DIP water main to connect into an existing water main in Cottrell Road to service twelve (12) townhouse units and an irrigation system for the open space area.

COMMENTS:

1. Tentative Review fees have been paid.
2. The Authority granted Preliminary Approval on June 18, 2014 Township Preliminary Planning Board Approval was granted on April 1, 2014.
3. The final design of the lawn irrigation system is required to verify the number of Equivalent Domestic Consumer Units (EDCU's).

4. The Applicant has indicated that all proposed water mains and fire hydrants would be dedicated to the Authority.
5. The size, material and installation of the on-site water service lines are also subject to approval by the Township Plumbing Sub-Code Official.
6. Drawings to be revised as per marked-up drawing set.
7. A copy of this report has been supplied to the Contact Person of the Applicant as listed on the application form.
8. Recommend Tentative Water Approval subject to the following conditions:

CONDITIONS:

1. Applicant shall pay all applicable fees.
2. All comments from this Engineer's Report dated November 14, 2014, shall be addressed with the Final Water Application.
3. Applicant to fully comply with the Rules and Regulations of the Authority and any Agency having jurisdiction.
4. This Tentative Water Approval shall expire one (1) year from the date of the resolution.

**TENTATIVE SEWER APPLICATION
RECOMMEND APPROVAL**

APPLICATION NUMBER: S11-494

DATE: November 14, 2014

APPLICANT: Cottrell Court Townhomes, LLC

DEVELOPMENT NAME: Town Center Residential

TYPE: ATTACHED RESIDENTIAL

DRAINAGE BASIN: Deep Run

BLOCK/LOT: 14263/4 (11.5 Acres)

NO. OF UNITS: 12 EDCU's

LOCATION: On the west side of Cottrell Road approximately 500 feet south of Route 516 between Rosegate Condominiums and the Town Center Shopping Center.

DESCRIPTION: Construction of 265 LF of eight inch (8") PVC sanitary sewer to connect into an on-site gravity sewer main to service twelve (12) townhouse units.

COMMENTS:

1. Tentative Review fees have been paid.
2. The Authority granted Preliminary Approval on June 8, 2014 Township Preliminary Planning Board Approval was granted on April 1, 2014.
3. The Applicant has indicated that all proposed sanitary sewer mains would be dedicated to the Authority.
4. The size, slope and installation of the on-site sewer laterals are subject to approval by the Township Plumbing Sub-Code Official.
5. Drawings to be revised as per marked-up drawing set.
6. A copy of this report has been supplied to the Contact Person of the Applicant as listed on the application form.
7. Recommend Tentative Sewer Approval subject to the following conditions:

CONDITIONS:

1. Applicant shall pay all applicable fees.
2. All comments from this Engineer's Report dated November 14, 2014, shall be addressed with the Final Sewer Application.
3. Applicant to fully comply with the Rules and Regulations of the Authority and any Agency having jurisdiction.
4. This Tentative Sewer Approval shall expire one (1) year from the date of the resolution.

A motion to approve Town Center Residential/Cottrell Court Townhouses, LLC---W11-629, Tentative Water and S11-494, Tentative Sewer was made by Mr. Haney and seconded by Mr. Donatelli.

The roll call was as follows:

AYES: Donatelli, Greenberg, Testino, Haney

NAYS: None

ABSTAIN: Greene

4 Ayes 0 Nays 1 Abstain 0 Absent

**Mesina Medical Building/Lenika Management, LLC
W13-638, Preliminary Water – 2 + 1 Fire = 3 EDCU's**

**PRELIMINARY WATER APPLICATION
RECOMMEND APPROVAL**

APPLICATION NUMBER: W13-638

DATE: November 14, 2014

APPLICANT: Lenika Management, LLC

DEVELOPMENT NAME: Mesina Medical Building

TYPE: COMMERCIAL

USE: DOMESTIC AND FIRE PROTECTION

BLOCK/LOT: 15574/3 (0.6 Acres)

NO. OF UNITS: 2 + 1 Fire = 3 EDCU'S

LOCATION: On the south side of Route 516, between Owens Road and Worth Place, just west of the Route 516 Animal Hospital.

DESCRIPTION: Construction of approximately 140 LF of four and six inch (4" & 6") DIP water main connection into the existing water main in Route 516 to service a proposed 7,700 SF medical office.

COMMENTS:

1. Preliminary Review fees have been paid.
2. The Equivalent Domestic Consumer Unit (EDCU) calculation was based on office use. Please inform this office as soon as information is available if there will be a more intense use (such as restaurant, laundromat, etc.) in order to adjust the EDCU demand and number of approved units.
3. Based on the proposed number of units it was determined that the additional demand on the water distribution system is insignificant.
4. There are no existing residential dwellings in the area to be provided with municipal water service.
5. The Applicant has indicated that lawn irrigation is not proposed for this site; therefore, lawn irrigation is not included in this approval. 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 Equivalent Domestic Consumer Units.
6. The Applicant has indicated that the fire flow demand for the fire suppression system is 617 gpm at 51 psi. A hydrant flow test performed on November 12, 2011, indicates that the Authority's water distribution system has this fire flow available.
7. Applicant has acknowledged that all proposed water mains and fire hydrants would remain privately owned and maintained by the Applicant.
8. A written private utility maintenance plan shall be submitted for review in accordance with the Authority's Rules and Regulations.
9. Technical design review of the drawings will be performed after receipt of a complete Tentative Water Application submittal.

10. Submission deadlines for a Tentative Water Application package are as follows:

- A. November 26, 2014
- B. December 31, 2014
- C. January 14, 2015

11. A copy of this report has been supplied to the Contact Person of the Applicant as listed on the application form.

12. Recommend Preliminary Water Approval subject to the following conditions:

CONDITIONS:

- 1. Applicant shall pay all applicable fees.
- 2. All comments from this Engineer's Report dated November 14, 2014, shall be addressed with the Tentative Water Application.
- 3. Applicant to fully comply with the Rules and Regulations of the Authority and any Agency having jurisdiction.
- 4. This Preliminary Water Approval shall expire one (1) year from the date of the resolution.

A motion to approve Mesina Medical Building/Lenika Management, LLC W13-638, Preliminary Water was made by Mr. Testino and seconded by Mr. Donatelli.

The roll call was as follows:

AYES: Donatelli, Greenberg, Testino, Haney

NAYS: None

ABSTAIN: Greene

4 Ayes 0 Nays 1 Abstain 0 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. Greene and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Donatelli, Greenberg, Greene, Testino, Haney

NAYS: None

5 Ayes 0 Nays 0 Absent

Engineering Reports: Michael Roy, P.E.

1. Summerfield Sewer Replacement, Contract No. 2011-01, Final Quantities Change Order

Change Order No. 4 to Caruso Excavating, Inc. for the referenced project has been prepared by R3M Engineering, Inc. and includes the changes to the Contract Documents.

The Change Order consists of the work included when JCP&L changed the power supply during the contract; the elimination of the alarm equipment in the contract because the Shadyside Pump Station was added to the Sewer Division SCADA System Project; the addition of steel plates in the retaining wall soldier piles which was offset by eliminating timber lagging from the wall design; an increase in the amount of traffic control; the additional fence installed on the retaining wall; the rerouting of storm drainage piping from the homes along the retaining wall; and a credit for the Authority's service to respond to an emergency at the Shadyside Pump Station.

The total cost of this Change Order No. 4 is a **MINUS \$1,507.70** which is a zero point twelve percent (0.12%) decrease in the amended contract amount of \$1,301,290.50 to a new contract amount of \$1,299,782.80. Together with previously approved Change Orders No. 1 through No. 3, the total cost of change orders to date represents a two point eight percent (2.8%) increase from the original contract amount.

This Change Order is ready to be considered for approval by the Authority and will be subject to approval by the NJDEP.

A motion to approve Summerfield Sewer Replacement, Contract No. 2011-01, Final Quantities Change Order was made by Mr. Greene and seconded by Mr. Testino.

The roll call was as follows:

AYES: Donatelli, Greenberg, Greene, Testino, Haney

NAYS: None

5 Ayes 0 Nays 0 Absent

2. 2013 Sanitary Sewer Rehabilitation, Contract No. 2013-01, Final Quantities Change Order.

Change Order No.1 to Insituform Technologies LLC for the referenced project has been prepared by R3M Engineering, Inc. and includes the changes to the Contract Documents.

This Change Order consists of the final quantities of work actually performed under this sewer-relining contract, including the additional three hundred feet (300') of liner installed near Jake Brown Road. This sewer main near Jake Brown Road had experienced a collapsed pipe this past Spring, but was too late to have included as part of this contract.

The total cost of this Change Order No. 1 is a **MINUS \$25,137.47**, which is a six point four percent (6.4%) decrease of the original contract amount of \$395,479.00 to a new contract amount of \$370,341.53.

This Change Order is ready to be considered for approval by the Authority.

A motion to approve 2013 Sanitary Sewer Rehabilitation, Contract No. 2013-01, Final Quantities Change Order was made by Mr. Haney and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Donatelli, Greenberg, Greene, Testino, Haney

NAYS: None

5 Ayes 0 Nays 0 Absent

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

Mr. Greene asked how Southwood was linked to the work being performed.

Mr. Roy stated that although this project was essentially for Southwood, an extra run of pipe was added to the contact for the Jake Brown area to repair a break. Just about all of Southwood has now been relined. He offered to supply more details of the project to Mr. Greene.

3. Utility Easement from the Township through Lot 4.11

The Crossroads Regional Interceptor project provides for sewerage the Crossroads area near Marlboro and Texas Road as well as abandoning of pump stations at the existing Legends and Birch Developments. Birch Hill requires an easement through the Township owned property of Lot 4.11 in order to connect a sewer main from the interior of the development to the Crossroads Interceptor. The construction of a gravity sewer by Birch Hill will allow for elimination of the privately owned Bayberry Sewage Pump Station.

The Deed of Easement and Right-of-Way document contains standard language necessary for the Authority to operate and maintain the sanitary sewer through Lot 4.11. The easement document and the design of the sewer also allow for relocation of the sanitary sewer in the event that a future developer of Lot 4.11 needs to relocate the sewer to accommodate their site development plans.

The terms of the document provide for the Authority, as Grantee of the easement, to restore the surface after any future maintenance of the pipe to the same condition as, nearly as possible that existed before the opening was made. This provision is a reasonable obligation under a typical utility easement.

It is recommended that the Authority execute the Deed of Easement and Right-of-Way for Lot 4.11 in order for the work at Birch Hill to progress so that the development can be serviced by gravity sewer, and Birch Hill can fulfill its obligation to abandon the two (2) on-site sewer pump stations.

A motion to approve Utility Easement from the Township through Lot 4.11 was made by Mr. Haney and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Donatelli, Greenberg, Greene, Testino, Haney

NAYS: None

5 Ayes 0 Nays 0 Absent

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

Mr. Greene stated that the clubhouse at Birch Hill has not been utilized since the spring.

Mr. Roy responded that there have been problems with the pump station. The developer was to have a pump station that properly operates with a licensed operator.

Mr. Greene inquired what line is being constructed on Texas Road.

Mr. Roy stated that when the Authority was working with Remsco to tie into the pump station in the vicinity of the traffic light, Birch Hill constructed their piece of sewer off Texas Road though a piece of property owned by the Township.

Mr. Greene stated that if the Township sells the property, the developer would have to pay their share of the cost for the sewer.

Mr. Roy stated that the sewer is there for the benefit of the developer who will have to develop a site plan to determine the use of the ten acres. If the sewer were to be moved, the developer would have to make an application to the Authority.

4. Toby Gardens Apartments, W204-554, S204-434

The Authority had previously approved the Water and Sewer Developer Agreements for the referenced applications on April 19, 2006, in accordance with the Final Water and Sewer Approvals granted on August 17, 2005.

On April 17, 2013, the Authority granted Amended Final Water and Sewer Approval to a new applicant, the Brunetti Organization. That approval required the payment of connection fees that Brunetti objected to and challenged in court. The Applicant has requested to proceed with the project while the matter of the payment of connection fees is pending in Appellate Court.

The Amended Water and Sewer Developer Agreements prepared by Louis Granata, Esq. consist of some modification to both the standard language, and the conditions of the April 2013 Final Water and Sewer Approvals to construct approximately 900 LF of twelve and eight inch (12" & 8") DIP water main to connect into an existing water main in Route 9 and an existing private water main in Cottonwood Lane (Glenwood Apartments) and

approximately 800 LF of eight inch (8") PVC sewer to connect into the existing private gravity sewer in Cherry Hill Lane (Glenwood Apartments).

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

A motion to approve Toby Gardens Apartments, W204-554, S204-434 was made by Mr. Donatelli and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Donatelli, Greenberg, Greene, Testino, Haney

NAYS: None

5 Ayes 0 Nays 0 Absent

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

Mr. Granata stated that Brunetti has challenged the Authority to collect the connection fees. To hold litigation costs to a minimum, the Brunetti organization agrees to abide by the decision of the Appellate Court. With respect to the sewer agreement, Mr. Abraham has agreed to eliminate the second sentence in Paragraph 7 relating to the sewer connection fees.

Financial Report: Stephen A. Florek II, Comptroller

Resolution

A motion to approve the resolution concerning review of findings and recommendations of the Local Finance Board with respect to the project financing related to the issuance of Revenue Refunding Bonds (2014C Series) of the Old Bridge Municipal Authority was made by Mr. Testino and seconded by Mr. Donatelli.

The roll call was as follows:

AYES: Donatelli, Greenberg, Greene, Testino, Haney

NAYS: None

5 Ayes 0 Nays 0 Absent

Resolution

A motion to approve the resolution directing the undertaking of a continuing disclosure review and authorizing participation in the Municipalities Continuing Disclosure Cooperation Initiative of the Division of Enforcement of the US. Securities and Exchange Commission was made by Mr. Haney and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Donatelli, Greenberg, Greene, Testino, Haney

NAYS: None

5 Ayes 0 Nays 0 Absent

Annual Connection Fee Rate Hearing

A motion to authorize the annual connection fee rate hearing to be held on December 17, 2014 at 11:30 a.m. was made by Mr. Haney and seconded by Mr. Donatelli.

The roll call was as follows:

AYES: Donatelli, Greenberg, Greene, Testino, Haney

NAYS: None

5 Ayes 0 Nays 0 Absent

Legal Report: Mitchell B. Jacobs, Esq.
No Report

Bills & Claims: A motion to approve Bills & Claims in the amount of \$3,415,181.65 was made by Dr. Greenberg and seconded by Mr. Haney.

The roll call was as follows:

AYES: Donatelli, Greenberg, Greene, Testino, Haney

NAYS: None

5 Ayes 0 Nays 0 Absent

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

Construction of Improvements

Mr. Roy stated there had been a leak on the newly installed water main at the intersection of Route 516 and Bennett Road. The repair has been made and the work needs to be pressure and bacteria tested. He anticipates that the construction will be completed prior to Thanksgiving.

Mr. Greene reiterated his request for a rate study report.

Mr. Haney asked Mr. Florek to contact the auditor for a final copy of the study report.

Mr. Greene stated that for some reason the assumption was that there was to be a rate study in connection with the water rates. A draft was submitted, and in January another \$7,500 was added to the rate study contract to include the sewer rates. Although he received a draft in October 2013, he received no report on the work done that was related to the \$7,500 approved in January.

New Business: None

Open to Public: Mrs. Wulster addressed the Commissioners with respect to the salary of the Executive Director.

Executive Session: A motion to go into Executive Session at 12:47 p.m. was made by Mr. Haney and seconded by Dr. Greenberg.

The motion was approved by an ALL AYES vote.

The Regular Meeting reconvened at 1:17 p.m.
During Executive Session the following items was discussed: Personnel;
Transco/Manzo Litigation; Brunetti Litigation; and Angela Drive Bond Release.

Personnel

A motion to enter into a contractual agreement with Michele Smith describing the terms and conditions of the position, Authority Comptroller, and setting a salary of \$103,000 (as acting Authority Comptroller) and \$125,000 (as Authority Comptroller) was made by Mr. Testino and seconded by Mr. Haney.

The roll call was as follows:

AYES: Donatelli, Greenberg, Greene, Testino, Haney

NAYS: None

5 Ayes 0 Nays 0 Absent

Angela Drive Bond Release

A motion to release the escrow funds in connection with Angela Drive was made by Mr. Donatelli and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Donatelli, Greenberg, Greene, Haney

NAYS: None

NO PARTICIPATION: Testino

4 Ayes 0 Nays 1 No Participation 0 Absent

After Mr. Testino voted “No Participation”, Mr. Cahill was inadvertently not called to vote as the Second Alternate Commissioner with the absence of the First Alternate Commissioner Mr. Weber.

Adjournment: A motion to adjourn at 1:19 p.m. was made by Dr. Greenberg and seconded by Mr. Donatelli.

The motion was approved by an ALL AYES vote.

Respectfully submitted:

Edward Testino, Secretary