

**OLD BRIDGE MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
January 21, 2015**

Call to Order: The Regular Meeting of January 21, 2015 was called to order at 7:00 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
Edward Testino, Secretary (arrived at 7:20 p.m.)
Anita Greenberg, Treasurer
Frank Weber, 1st Alternate

Absent:
Richard Greene, Vice Chairman
Rocco Donatelli, Assistant Secretary
Brian Cahill, 2nd Alternate

Also Present: Guy Donatelli, Executive Director
Stephen A. Florek, Comptroller
Michelle Smith, Acting Comptroller
Michael Roy, P.E.
James J. Cleary, Esq.

Commissioner's Comment: Dr. Greenberg thanked the Commissioners for their kindness and thoughtfulness at the time of her Mother-in-Law's passing.

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 December 2014.

Redevelopment of Well No. 3

Executive Director Donatelli stated that advertising would commence for public bids to Redevelop Well No. 3 with a bid opening date of February 10, 2015. This contract is for the routine maintenance of one of our eight

production wells, the money for which will be financed through the Authority's general fund.

Laurence Harbor Bulkhead/Retaining Wall

Executive Director Donatelli stated that this project would protect the Authority's facilities along the Raritan Bay from future severe weather events. The pre-bid meeting drew thirty contractors, which means that there should be attractive pricing for this project. Financing has been applied for through the NJEIT/F program, and the Authority has been authorized by the NJDEP to advertise for bids, the opening date is scheduled for February 4, 2015.

Water Division SCDA System Upgrades

Executive Director Donatelli stated this project would replace and upgrade the SCADA control system for the drinking water facilities monitored in the Water Division. Financing was applied for through the NJEIT/F program, and the Authority has been authorized to advertise for public bids. The bid opening date is scheduled for February 18, 2015.

OBMUA 2015-2016 Meeting Schedule

Executive Director Donatelli stated that he would appreciate an approval of the 2015-2016 meeting schedule for publication.

Motion

A motion to approve the 2015-2016 OBMUA Meeting Schedule was made by Dr. Greenberg and seconded by Mr. Weber.

The roll call was as follows:

AYES: Greenberg, Weber, Haney

NAYS: None

ABSENT: Donatelli, Greene, Testino, Cahill

3 Ayes 0 Nays 4 Absent

Personnel

Executive Director Donatelli requested that Joyce Lauer be placed into a non-union position as billing/payroll assistant for the main office. Ms. Lauer has been involved with several confidential duties that are considered non-union positions. Since Ms. Lauer has been a dedicated and conscientious employee for twenty years, the recommendation is to increase her salary from \$57,000 to \$62,000 per year.

Motion

A motion to place Joyce Lauer in the non-union position as Billing/Payroll Assistant with an increase in salary to \$62,000 was made by Dr. Greenberg and seconded by Mr. Weber.

The roll call was as follows:

AYES: Greenberg, Weber, Haney

NAYS: None

ABSENT: Donatelli, Greene, Testino, Cahill

3 Ayes 0 Nays 4 Absent

Personnel

Executive Director Donatelli stated that with the promotion of Michelle Smith to Comptroller a replacement is being sought. Jessica Sangiorgio presented an excellent resume outlining her education and has the skills and background necessary to perform the required duties. The salary recommendation is \$62,000 per year.

Motion

A motion to hire Jessica Sangiorgio in the accounting position vacated by Michelle Smith at a salary of \$62,000 was made by Mr. Weber and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Greenberg, Weber, Haney

NAYS: None

ABSENT: Donatelli, Greene, Testino, Cahill

3 Ayes 0 Nays 4 Absent

Chairman's Report: Arthur M. Haney, Chairman

Mr. Haney reported the State Senate and Assembly are attempting to pass a bill that would allow the expedited sale of utilities authorities to private companies within ten days without public vote and only public comment. There is a great deal of opposition from Trenton on this bill, but the Senate is pushing it. There appears to be no clear reason for this, but the private water companies in some areas of New Jersey are supporting the

bill. He believes that this does not provide the public with sufficient time to obtain the necessary information pertaining to the impact of the utility being sold to a private company.

Mr. Haney stated that there was a notice to the residents of Sayreville Boro from their water department stating that the homeowners' responsibility for service line repairs is from the main in the street to the home. In Old Bridge, the responsibility is from the curb to the home. The residents are being offered an insurance policy to cover the cost of a service break. This is just a point of information for the public. Sayreville is asking residents to pay extra for the same service that is included with our rates.

Dr. Greenberg inquired if the Authority should reach out to anyone in the Assembly and/or the Senate.

Mr. Haney stated that the NJ Water Environment Association of which the OBMUA is a part is opposing this bill. The suggestion was made to contact Senator Sam Thompson or Assemblyman Ron Dancer.

Mr. Florek suggested that the Authority approve a resolution opposing the proposed bill.

Previous Minutes: Regular Meeting - November 17, 2014
Executive Session - November 17, 2014

A motion to approve the previous minutes was made by Dr. Greenberg and seconded by Mr. Haney.

The roll call was as follows:

AYES: Greenberg, Weber, Haney

NAYS: None

ABSENT: Donatelli, Greene, Testino, Cahill

3 Ayes 0 Nays 4 Absent

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

Primrose School/Primrose School Franchising Company

- 1. W14-642, Preliminary Water – 5 + 5 Irrigation + 1 Fire + 11 EDCU's**
- 2. S14-507, Preliminary Sewer – 5 EDCU's**

PRELIMINARY WATER APPLICATION-RECOMMEND APPROVAL

APPLICATION NUMBER: W14-642

DATE: January 16, 2015

APPLICANT: Primrose School Franchising Company

DEVELOPMENT NAME: Primrose School

TYPE: COMMERCIAL

USE: DOMESTIC, FIRE PROTECTION AND IRRIGATION

BLOCK/LOT: 13000/3 (3.5 Acres)

NO. OF UNITS: 5 + 5 Irrigation +1 Fire = 11 EDCU'S

LOCATION: On the northbound side of Route 9, between the Public Storage facility and the 19 Petroleum Gas station.

DESCRIPTION: Construction of approximately 100 LF of six inch (6") DIP to connect into an existing water main in Route 9 to service a proposed 12,275 SF childcare facility.

COMMENTS:

1. Preliminary Review fees have been paid.
2. There are no existing residential dwellings in the area to be provided with municipal water service.
3. The Applicant has indicated that the fire flow demand for the fire suppression system is 405 gpm at 48 psi. A hydrant flow test performed on September 5, 2014, indicates that the Authority's water distribution system has this fire flow available.

4. The Applicant has acknowledged that proposed water mains would remain privately owned and maintained by the Applicant.

5. All fire sprinkler lines shall be sized in accordance with the hydraulic calculation demand by a professional engineer who specializes in fire suppression, and approved by the Fire Sub-Code Official at the time of Building Permit Application. Only one connection is permitted to the existing water main. The proposed domestic line shall branch off of the fire line within the building.

6. Technical design review of the drawings will be performed after receipt of a complete Tentative Water Application submittal.

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

A. January 28, 2015

B. February 25, 2015

C. March 25, 2015

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

9. 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 January 16, 2015, 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 Primrose School/Primrose School Franchising Company W14-642, Preliminary Water and S14-507, Preliminary Sewer was made by Mr. Weber and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Greenberg, Weber, Haney

NAYS: None

ABSENT: Donatelli, Greene, Testino, Cahill

3 Ayes 0 Nays 4 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. Haney and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Greenberg, Weber, Haney

NAYS: None

ABSENT: Donatelli, Greene, Testino, Cahill

3 Ayes 0 Nays 4 Absent

**Engineering
Reports:**

Michael Roy, P.E.

None

Financial Report:

Michelle Smith, Acting Comptroller

Fiduciary Liability Coverage

Ms. Smith brought to the attention of the Commissioners the need for Fiduciary Liability Coverage which has become more prominent lately due to new legislation relating to the administration of employee benefits plans, and the potential litigation that alleges breach of fiduciary duty against the company, directors, etc. who are responsible for plan administration.

A motion to authorize Volk Insurance to prepare a quote for Fiduciary Liability Coverage was made by Mr. Testino and seconded by Mr. Haney.

The roll call was as follows:

AYES: Greenberg, Testino, Weber, Haney

NAYS: None

ABSENT: Donatelli, Greene, Cahill

4 Ayes 0 Nays 3 Absent

Vehicle Auction

Ms. Smith stated that the Sewer Division has a 1986 Ford Jetter Truck no longer in use and fifteen Raco-Verbatim Auto-dialers that are obsolete. The recommendation is to auction these items on GovDeals.com.

A motion to authorize the sale of the 1986 Ford Jetter Truck and fifteen Raco-Verbatim Auto-dialers on GovDeals.com was made by Mr. Testino and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Greenberg, Testino, Weber, Haney

NAYS: None

ABSENT: Donatelli, Greene, Cahill

4 Ayes 0 Nays 3 Absent

Revenue Schedule

Ms. Smith stated that the revenue schedule ending December 31, 2014 and the projected numbers through year-end May 31, 2015, indicate that the Authority should realize sales in excess of budget by approximately \$1,027,970.

NJEIT Projects

Ms. Smith stated that bond counsel has informed the Authority that it has been approved for the following 2015 NJEIT projects: Perrine Road Rehab; Water Division SCADA Upgrades; Rt. 516 Storage Facility; and Laurence Harbor Bulkhead.

A motion to approve the Financial Report was made by Mr. Testino and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Greenberg, Testino, Weber, Haney

NAYS: None

ABSENT: Donatelli, Greene, Cahill

4 Ayes 0 Nays 3 Absent

Legal Report: James J. Cleary, Esq.

No Report

Bills & Claims: A motion to approve Bills & Claims in the amount of \$1,388,464.65 was made by Mr. Weber and seconded by Mr. Testino.

The roll call was as follows:

AYES: Greenberg, Testino, Weber, Haney

NAYS: None

ABSENT: Donatelli, Greene, Cahill

4 Ayes 0 Nays 3 Absent

Old Business: None

New Business: Mr. Testino stated that as he was listening to NPR, there was mention of a water conservation program in Israel. The system is similar to SCADA, but there are monitors throughout the water plant to determine where leaks are located. The system is said to be cost effective. He recommended that administration look into this program.

Dr. Greenberg congratulated Mr. Florek on his upcoming retirement and wished him good health and good luck.

Open to Public: Mr. Brown asked for a clarification of the pending legislation concerning the privatization of Utility Authorities.

Mr. Haney stated that his understanding is that the public would get ten days' notice to attend a hearing to express their opinions.

Mr. Brown asked if this would be considered a hostile takeover.

Mr. Haney responded that this would be hostile in that the people selling the Authority would be their representatives. Usually, by the time the public is informed of a possible sale, a purchaser is already in place.

Mr. Brown expressed his congratulations and appreciation to Commissioner Donatelli for his many years of service to the Authority.

Mr. Haney thanked Mr. Florek for all his work for the Authority and as a resident of Old Bridge. He will be missed.

Seeing no other hands, Chairman Haney closed the public portion.

RFQ Committee

Mr. Haney suggested that he and Mr. Greene (Mr. Weber as an alternate), will be the committee reviewing the professional qualification proposals that have been submitted.

Adjournment: A motion to adjourn at 7:35 p.m. was made by Mr. Weber and seconded by Mr. Testino.

The roll call was as follows:

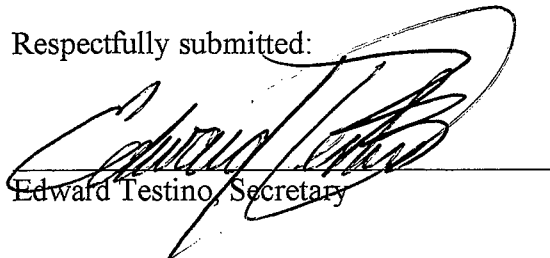
AYES: Greenberg, Testino, Weber, Haney

NAYS: None

ABSENT: Donatelli, Greene, Cahill

4 Ayes 0 Nays 3 Absent

Respectfully submitted:



Edward Testino, Secretary