

**OLD BRIDGE MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
February 18, 2015**

Call to Order: The Regular Meeting of February 18, 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
Richard Greene, Vice Chairman
Anita Greenberg, Treasurer
Frank Weber, Assistant Treasurer
Brian Cahill, 1st Alternate
Paul Carlock, 2nd Alternate

Absent: Edward Testino, Secretary

Also Present: Guy Donatelli, Executive Director
Michelle Smith, Comptroller
Michael Roy, P.E.
Mitchell Jacobs, Esq.

Executive Director's
Report: Guy Donatelli, Executive Director

Water Main Breaks

Executive Director Donatelli stated that there have been eleven water main breaks since the beginning of the month from South Old Bridge to Laurence Harbor.

Monthly Distribution and Drinking Water Analysis

Executive Director Donatelli discussed the Drinking Water Analysis-Monthly Coliform Summary Report from Precision Analytical Labs and the Monthly Water Distribution for January 2015.

Perrine Road Carbon Filter Facility

Executive Director Donatelli stated that bids will be solicited for this project to install a new filtration system at Perrine Road that will be able to filter the surface water from Middlesex Water

Company through carbon units and remove the organic material that are the precursors to disinfection by-products in the drinking water. The financing was applied for through the NJEIT/F program.

MCUA Reassessment of Sewage Loading charges

Executive Director Donatelli stated that the MCUA has advised the Authority that they will be implementing a program to replace all of the sampling equipment of all of their participants that send sewage to their treatment plant in Sayreville. A MCUA pilot program that involved the use of this new sampling equipment since 2012 has shown a 20% to 40% increase in the measured parameters of Biological Oxygen Demand (BOD), Total Suspended Solids (TSS) and Chlorine Demand (CLD). This means that the Authority's sewage loadings will be going up compared to previous years. The sewage loadings are the measure of the strength and the basis for the amount charged to the Authority by MCUA. A meeting will be held on March 6, 2015 at the MCUA for a presentation on the rollout of their new sampling equipment. He will be in attendance.

Mr. Roy stated that the representatives of the Authority met with the MCUA because this was anticipated. New sampling equipment would indicate higher loadings. Although Mr. Weber stated that the Authority was high compared to the other participants, the Authority anticipated that this was going to happen, and this will be able to be adjusted back down. The Authority wants to stay ahead of the curve.

Mr. Greene asked if there would be a rate increase.

Executive Director Donatelli stated that a rate increase would be possible.

Mr. Cahill asked if the maintenance of the broken water mains was provided for in the budget.

Executive Director Donatelli stated that the effect should not be felt in the budget. The inventory of the necessary parts is budgeted for each year. There were no expenses other than what were anticipated.

Mr. Greene inquired about the water main break on Rt. 35, which is a New Jersey State Road.

Executive Director Donatelli stated that the road is open and an "after the fact" permit is applied for with the appropriate fees and the road is patched according to the State's specifications. The pipes in all the roads are the responsibility of the MUA. The Old Bridge Township police department provides traffic control.

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

The roll call was as follows:

AYES: Greenberg, Greene, Weber, Cahill, Haney

NAYS: None

ABSENT: Testino

5 Ayes 0 Nays 1 Absent

Chairman's Report: Arthur M. Haney, Chairman

Mr. Haney stated that the Commissioners had received a copy of The revised 2015 meeting schedule and the budget-planning schedule. He noted that the March 13 meeting included the budget workshop. That meeting has been changed to March 16.

Previous Minutes: **Regular Meeting – December 17, 2014**

A motion to approve the previous Regular Meeting minutes of December 17, 2014 was made by Mr. Greene and seconded by Mr. Weber.

The roll call was as follows:

AYES: Greenberg, Greene, Weber, Haney

NAYS: None

ABSTAIN: Cahill

ABSENT: Testino

4 Ayes 0 Nays 1 Abstain 1 Absent

Superintendent's
Report:

Al Lunkenheimer, Superintendent Sewer Division

Mr. Greene inquired about "repairing, resetting and replacing batteries" relating to the SCADA system that reoccurred in several locations. He asked if there was a problem with the battery control module.

Mr. Roy stated that there was a problem, but that this is a warranty item, and the contractor has been informed. The problem is the premature aging of the battery that should have a three-year life.

Mr. Samuels added that this is a manufacturing problem, and the contractor has been contacted to have the problem resolved via the warranty.

A motion to approve the Superintendent's Report as included in the Commissioners' packets was made by Dr. Greenberg and seconded by Mr. Greene.

The roll call was as follows:

AYES: Greenberg, Greene, Weber, Cahill, Haney

NAYS: None

ABSENT: Testino

5 Ayes 0 Nays 1 Absent

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

Messina Medical Building/Lenika Management, LLC
1. W14-638, Tentative Water – 2 + 1 Fire = 3 EDCU's

TENTATIVE WATER APPLICATION
RECOMMEND APPROVAL

APPLICATION NUMBER: **W13-638**

DATE: February 13, 2015

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 six and eight inch (6" & 8") DIP water main connecting into the existing water main in Route 516 to service a proposed medical office of approximately 7,700 SF.

COMMENTS:

1. Tentative Review fees have been paid.
2. The Authority granted Preliminary Approval on November 17, 2014. Township Preliminary and Final Planning Board Approval was granted on October 7, 2014.
3. 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.
4. 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.
5. Provide peak water demand in gallons per minute (gpm) and a listing of the number of fixture types for the purpose of sizing the water meter.
6. Applicant has acknowledged that all proposed water mains and fire hydrants would remain privately owned and maintained by the Applicant.

7. A written private utility maintenance plan shall be revised as noted and re-submitted for review.

8. 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.

9. Revise drawings as follows:

A. Provide a site-specific plumbing schematic of the proposed meter installation.

B. Relocate the proposed six-inch (6") line valve to be located outside of the proposed handicap ramp.

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

A. February 23, 2015

B. March 25, 2015

C. April 29, 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 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 February 13, 2015, 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.

A motion to approve Messina Medical Building/Lenika Management, LLC W14-638, Tentative Water as recommended was made by Dr. Greenberg and seconded by Mr. Greene.

The roll call was as follows:

AYES: Greenberg, Greene, Weber, Cahill, Haney

NAYS: None

ABSENT: Testino

5 Ayes 0 Nays 1 Absent

**Messina Medical Building/Lenika Management, LLC
2. S13-502, Tentative Sewer – 2 EDCU's**

**TENTATIVE SEWER APPLICATION
RECOMMEND APPROVAL**

APPLICATION NUMBER: **S13-502**

DATE: February 13, 2015

APPLICANT: Lenika Management, LLC

DEVELOPMENT NAME: **Mesina Medical Building**

TYPE: COMMERCIAL

DRAINAGE BASIN: Deep Run

BLOCK/LOT: 15574/3 (0.6 Acres)

NO. OF UNITS: **2 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 a private pump station and approximately 600 LF of one and one-half inch (1 ½") PVC force main within County Route 516, tying into an existing gravity approximately 7,700 SF.

COMMENTS:

1. Balance of Tentative Review fees are due with the Final Sewer Application submittal.
2. The Authority granted Preliminary Approval on November 17, 2014. Township Preliminary and Final Planning Board Approval was granted on October 7, 2014.
3. 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.
4. Applicant has acknowledged that all proposed sewer lines will remain privately owned and maintained by the Applicant.
5. A written private utility maintenance plan, shall be revised as noted and re-submitted for review.
6. The size, slope and installation of the on-site sewer lateral, private pump station and force main are subject to approval by the Township Plumbing Sub-Code Official.
7. Revise drawings as follows:
 - A. Provide a site-specific detail of the force main connection into the existing manhole including construction of a channel.
 - B. Add note which states that, "There shall be no prohibited wastes discharged into the sanitary sewer system including discharge from any HVAC system".
8. Submission deadlines for a Final Sewer Application package are as follows:
 - A. February 23, 2015
 - B. March 25, 2015
 - C. April 29, 2015
9. A copy of this report has been supplied to the Contact Person of the Applicant as listed on the application form.
10. 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 February 13, 2015, 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 Messina Medical Building/Lenika S13-502, Tentative Sewer as recommended was made by Dr. Greenberg and seconded by Mr. Greene.

The roll call was as follows:

AYES: Greenberg, Greene, Weber, Cahill, Haney

NAYS: None

ABSENT: Testino

5 Ayes 0 Nays 1 Absent

Engineering Reports: Michael Roy, P.E.

1. Redevelop Well No. 3 Contract No. W15-174, Award Contract

The Commissioners have been supplied with a bid tabulation sheet that lists the four bidders for the referenced contract along with the bid package of the lowest bidder. Sealed bids were opened and read aloud on Tuesday, February 10, 2015 at 2:00 P.M. at the Authority's office.

The lowest bidder, A.C. Schultes, Inc. has not taken any exceptions on the bid proposal, and their unit prices appear to be balanced and in line with the Engineers Estimate. A.C. Schultes performed well development work in the past and has completed all the work in a satisfactory manner. A.C. Schultes, Inc. is also not listed on the State's Debarred List.

Mr. Roy recommended the award of this contract to the lowest responsible bidder, A.C. Schultes, Inc., 664 South Evergreen Avenue, Woodbury Heights, N.J. 07097, in the amount of \$117,325.00, if the bid package is deemed legally acceptable.

The redevelopment work is a routine preventative maintenance contract performed on the drinking water wells every five to ten years in order to keep them in good working condition. The project is funded out of the operating budget from line item No. 01-003-9030.

A motion to award the Redevelop of Well No. 3, Contract No. W15-174 to A.C. Schultes, Inc. in the amount of \$117,325.00 as recommended was made by Mr. Weber and seconded by Mr. Greene.

The roll call was as follows:

AYES: Greenberg, Greene, Weber, Cahill, Haney

NAYS: None

ABSENT: Testino

5 Ayes 0 Nays 1 Absent

Prior to the roll call vote the following discussion took place. Mr. Cahill inquired if the Authority has frequently utilized A.C. Schultes, Inc.

Mr. Roy stated that A.C. Schultes, Inc. has submitted successful bids in the past.

Mr. Cahill inquired about A.C. Schultes' record of change orders.

Mr. Roy stated that when the contract is being drawn up, he takes into account anything that could go wrong with the well so that prices are not negotiated after the work is begun. He has unit prices on every item, and usually the prices are reduced at the end of the project because not all the work needs to be done. Only what needs to be repaired is repaired. There is more included in the contract than what actually needs to be done.

2. Laurence Harbor Bulkhead/Retaining Wall, Contract No. 2014-1, Award Contract

Mr. Roy stated that this project is financed through the NJEIT/F involving a wall to be constructed at the Authority property along the Raritan Bay. For many years the DEP was opposed to this project, but Superstorm Sandy changed their minds. The Authority has gone out to bid and Alaimo Assoc. has prepared the plans and specs and the bid documents.

There were eleven bidders. The engineer's estimate was \$2 million. Eight out of eleven bidders were under \$2 million, and one was at \$2 million; the remaining two were high. The low bid was \$1,753,640.00 submitted by J. Fletcher Creamer & Son, Incorporated.

Mr. Wayne Simpson (senior associate – Richard Alaimo Associates) stated that his firm has had good experience with J. Fletcher Creamer & Son, Incorporated who is a very qualified contractor and easily dealt with.

Mr. Haney stated that ten years ago the Authority tried unsuccessfully to build this wall in order to protect the Laurence Harbor Sewage Pump Station and the other buildings at 71 Boulevard West including our Sewer Maintenance Garage, Sewer Operations buildings and our Main billing office. He is happy to see that the DEP has changed their minds about the construction of a wall along the Raritan Bay shoreline to protect the Authority's property.

A motion to award Contract No. 2014-1 Laurence Harbor Bulkhead/Retaining Wall to J. Fletcher Creamer & Son, Incorporated in the amount of \$1,753,640.00 was made by Dr. Greenberg and seconded by Mr. Haney.

The roll call was as follows:

AYES: Greenberg, Greene, Weber, Cahill, Haney

NAYS: None

ABSENT: Testino

5 Ayes 0 Nays 1 Absent

Financial Report: Michelle Smith, Comptroller

Resolution

A motion to approve the resolution authorizing the acquisition, construction, renovation and/or installation of water and sewer projects and the issuance of bonds to finance the costs with the 2015 NJEIT/F Finance Program was made by Mr. Weber and seconded by Mr. Greene.

The roll call was as follows:

AYES: Greenberg, Greene, Weber, Cahill, Haney

NAYS: None

ABSENT: Testino

5 Ayes 0 Nays 1 Absent

Budget Schedule

Mrs. Smith stated that the preliminary budget will be approved at the meeting of March 16, 2015 and mailed to the state by April 1, 2015. She proposed a special budget workshop meeting on March 4, 2015 at 6:30 and if needed, on March 16, 2015 at 11:30 a.m. prior to the regular meeting.

A motion to authorize the publication of the 2015-2016 budget was made by Dr. Greenberg and seconded by Mr. Greene.

The roll call was as follows:

AYES: Greenberg, Greene, Weber, Cahill, Haney

NAYS: None

ABSENT: Testino

5 Ayes 0 Nays 1 Absent

Bills & Claims:

A motion to approve Bills & Claims in the amount of \$3,471,393.25 was made by Dr. Greenberg and seconded by Mr. Greene.

The roll call was as follows:

AYES: Greenberg, Greene, Weber, Cahill, Haney

NAYS: None

ABSENT: Testino

5 Ayes 0 Nays 1 Absent

Legal Report:

Mr. Lou Granata stated that he had received an expert's report from Mr. Brunetti's attorney after examining the books and records of the Authority's escrow accounts for Brunetti since 2007. Copies have been given to counsel and Mr. Haney. He needs authorization to discuss this with the Auditor, Mr. Morrison, who was the Auditor during this entire period and is familiar with the auditing of the escrow accounts, and have him review the expert's report and provide a response to the report.

Dr. Greenberg agrees that it would be wise to enlist Mr. Morrison to review the report.

Mr. Granata stated that there are twenty-eight hundred pieces of paper that were reviewed. Realizing that Mr. Florek is now retired, he requested that he be able to send a copy of the report to Michelle Smith and to Mr. Florek in the hope that there may be something with which they may be able to assist Mr. Morrison. Although Mr. Morrison has not stated what his fee would be, Mr. Granata requested that the Commissioners put a cap on those fees until Mr. Morrison reviews the files. If there would be a fee above the cap, that would have to be discussed with the Commissioners.

Mr. Haney asked if there were an estimate on the costs for this service.

Mr. Granata suggested that the Commissioners authorize an amount not to exceed \$5,000 until Mr. Morrison reviews the report.

A motion to authorize Robert Morrison of the firm of Hodulik & Morrison to review and examine the documents relating to the Brunetti Organization's escrow account with the Authority since 2007 in an amount not to exceed \$5,000 was made by Dr. Greenberg and seconded by Mr. Greene.

The roll call was as follows:

AYES: Greenberg, Greene, Weber, Cahill, Haney

NAYS: None

ABSENT: Testino.

5 Ayes 0 Nays 1 Absent

Legal Report: Mitchell Jacobs, Esq.
To be discussed in Executive Session

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

New Business: None

Open to Public: Ron Nosiay (Central Park resident) expressed his concern about the cost of the water tank project on Perrine Road. The contractor who was awarded the bid has been fined in two states for underpaying his employees. The low bidder was \$364,000 less than the successful bidder. In his opinion it is financially irresponsible for the Authority to award this bid at a higher price. He suggested that the project be re-bid.

Mr. Jacobs stated that there are certain nonconformities in bids that require this board to reject the lowest bid because it was considered not responsible under the statute. The second lowest bid did not contain a fatal defect and was accepted. Eight of the eleven bids were one-half to one million dollars in excess of the second lowest bidder. Reconsidering the bids and rebidding this project is not permitted by state statute because it does not fit into any of the categories that allows an Authority to exercise its discretion with respect to a rebid. The DEP has reviewed and approved the award of this contract to the second lowest bidder.

Rosemary Watkins (9 Colby Court) inquired about the carbon filters that are to be installed.

Executive Director Donatelli stated that the levels of disinfection by-products are under the maximum contaminant levels that are set

by the EPA and DEP. A device has been installed to monitor the disinfection by-products. When levels are elevating, the Authority has means to mix the water at the Perrine Road tank until the carbon filter is installed. The Authority will be soliciting bids for the carbon filter and awarding a contract sometime this year.

Dr. Greenberg thanked the members of the public for their attendance at this meeting. The Authority must rely on its attorneys for their expertise with respect to the Public Contracts Law. The Commissioners are aware that flyers were distributed in the Central Park area and that residents of the area appeared before the Township Council. Although Mr. Cahill, as a council member and a Commissioner, stated that he would be the liaison to the residents, she feels that the residents were not given a thorough explanation from Mr. Cahill at the Council meeting.

Mr. Cahill commended the residents for attending this meeting. When this was brought to the attention of the Township Council, the attorney advised the members of the Council not to address the issue.

Mr. Haney thanked the residents in attendance and assured them that the Commissioners are as concerned about this issue as they are. The Authority must live within the requirements of the law and the State Statutes.

Janet Colby (8 Brandeis Road) stated that the water going into her swimming pool does not go through the sewer. She would like an explanation of her bill.

Mr. Roy explained that the sewer charges are a flat rate. Water rates are based on the amount of water used.

Seeing no further hands Chairman Haney closed the public portion.

Executive Session: A motion to go into Executive Session at 7:42 p.m. was made by Dr. Greenburg and seconded by Mr. Greene.

The Regular Meeting reconvened at 8:55 p.m.
During Executive Session the following items were discussed:

1. Brunetti Litigation
2. New York Painters Union
3. Township Police Antenna on Marlboro Road Water Tank
4. Crossroads Regional Interceptor Project – Change Order

Crossroads Regional Interceptor

A motion to authorize Michael Roy to apply for supplemental loans from the Infrastructure Trust Fund to finance change orders for the Crossroads Regional Interceptor Project that will be subject to final approval by the Commissioners was made by Mr. Haney and seconded by Mr. Greene.

The roll call was as follows:

AYES: Greenberg, Greene, Weber, Cahill, Haney

NAYS: None

ABSENT: Testino

5 Ayes 0 Nays 1 Absent

Adjournment: A motion to adjourn at 9:00 p.m. was made by Mr. Weber and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Greenberg, Greene, Weber, Cahill, Haney

NAYS: None

ABSENT: Testino

5 Ayes 0 Nays 1 Absent

Respectfully submitted:



Edward Testino, Secretary

