

OLD BRIDGE MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
April 15, 2015

Call to Order: The Regular Meeting of April 15, 2015 was called to order at 7:02 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 7:06 p.m.)
Anita Greenberg, Treasurer
Brian Cahill, 1st Alternate
Paul Carlock, 2nd Alternate

Absent: Frank Weber, Assistant Treasurer

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

Executive Director's
Report: Guy Donatelli, Executive Director

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 March 2015 that indicated that there was no coliform found during the monthly testing.

Purchase of Jet/Vac Truck

Executive Director Donatelli stated that there is a need to advertise for public bids a contract for the purchase of a new combination Jetter and Vacuum truck that will replace one purchased in 1999. The old truck will be traded in as part of the contract bid. The approximate cost of the new truck is \$365,000 and has been budgeted for in the Authority's General Funds. The bid opening

date is scheduled for May 12, 2015 for presentation to the Commissioners at the May 20, 2015 meeting.

Mr. Cahill questioned whether this purchase may be made via a State Contract.

Executive Director Donatelli stated that this type of item is not available through a state contract.

In response to Mr. Greene's query as to the truck fitting into the garage, Executive Donatelli stated that the garage had recently been expanded, a project which was performed by his staff.

Radio Frequency Meter Reading Equipment

Executive Director Donatelli stated that there is a need to advertise for public bids to purchase radio receiver units that are used for meter readings via radio frequency reception. The annual material contract expires on June 30, and is financed from the Authority's general funds. The bid opening date is scheduled for June 9, 2015 with presentation to the Commissioners at the June 17, 2015 meeting.

Sewer Field Services

Executive Director Donatelli stated that there is a need to advertise for public bids for a service contract to perform emergency field services for the Authority's Sewer Division. The annual contract expires on June 30 and is financed from the Authority's general funds. The bid opening date is scheduled for June 9, 2015 for presentation to the Commissioners at the June 17, 2015 meeting.

Middlesex Water Company's Rate Increase

Executive Director Donatelli stated that Middlesex Water Company has petitioned the NJ BPU for approval of an increase in its rates for water service and other tariff charges. The petition is seeking an overall increase of approximately 13.53% or \$9.45 million. This would equate to a 2% increase to the Authority's customers, or \$6.00 per year for a minimum user. This increase will affect all users in the South River Basin. The Authority will attempt to join with Marlboro and East Brunswick to oppose this increase and share in the cost associated with this challenge. He will have a report as to the course of action at the next meeting.

Dr. Greenberg asked if Middlesex Water needed to justify a rate increase.

Executive Director Donatelli stated that a rate increase process usually begins two years before the increase takes effect, and he does not believe that the BPU will stop them from starting the process.

Dr. Greenberg inquired who controls the BPU.

Executive Director Donatelli stated that he believes that the BPU board is appointed by the State of New Jersey.

Dr. Greenberg suggested that the mayor reach out to the Commissioners of the BPU.

Executive Director Donatelli stated that the BPU governs the rate for all utilities.

Laurence Harbor Pump Station Force Main Break

Executive Director Donatelli stated that Mr. Lunkenheimer has prepared a report outlining the events from a force main break that occurred on March 17, 2015. Due to potential litigation, a full discussion will be held in Executive Session.

DEP Compliance Inspection

Executive Director Donatelli stated that no deficiencies exist, and all pump stations were found to be well maintained and operated efficiently.

Brunetti v. Old Bridge MUA, et als.

Executive Director stated that Mr. Granata has requested the authorization to hire Robert Gagliano, MAI, CRE Appraisal Services in defense of the Brunetti litigation.

In response to Mr. Haney's inquiry, Mr. Granata stated that this matter did not need to be discussed in Executive Session. The purpose of hiring this appraiser is to answer and counter an appraiser's report submitted to the courts on behalf of Brunetti containing information about which the Authority needs to defend itself.

The fee is estimated to be \$7500, and the report has to be delivered to the court by April 24, 2015.

Resolution

A motion to hire Robert Gagliano, MAI, CRE Appraisal Services as an expert appraiser in the amount of \$7,500 to defend the

Authority with respect to the Brunetti litigation was made by Councilman Greene and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Greenberg, Greene, Testino, Cahill, Haney

NAYS: None

ABSENT: Weber

5 Ayes 0 Nays 1 Absent

Chairman's
Report:

Arthur M. Haney, Chairman

Mr. Haney announced the Authority has received a Certificate of Achievement in Excellence in Financial Reporting.

Previous Minutes:

Regular Meeting – January 21, 2015

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, Testino, Cahill, Haney

NAYS: None

ABSTAIN: Greene

ABSENT: Weber

4 Ayes 0 Nays 1 Abstain 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. Testino and seconded by Mr. Greene.

The roll call vote was as follows:

AYES: Greenberg, Greene, Testino, Cahill, Haney

NAYS: None

ABSENT: Weber

5 Ayes 0 Nays 1 Absent

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

All American Ford/All American Ford of Old Bridge, Inc.
1. W14-646, Minor Water – 2 EDCU's

MINOR WATER APPLICATION
RECOMMEND APPROVAL

APPLICATION NUMBER: W14-646

DATE: April 10, 2015

APPLICANT: All American Ford of Old Bridge, Inc.

DEVELOPMENT NAME: All American Ford

TYPE: COMMERCIAL

USE: FIRE PROTECTION

BLOCK/LOT: 16002/6, 8, 9, 10.11, 10.12, 11.11, 11.12, 11.14,
12.11 & 13 (7.9 Acres)

NO. OF UNITS: 2 EDCU'S

LOCATION: On southbound Route 9, just north of Spring Valley
Road. (formerly Oasis Ford)

DESCRIPTION: Construction of approximately 300 LF of
eight inch (8") DIP water main connecting into on-site mains for a
9,400 SF expansion of an existing automobile dealership. The
existing water service and fire lines will remain unchanged.

COMMENTS:

1. Minor Review, Inspection and Connection fees have been paid.
2. Township Final Zoning Board Approval was granted on May 1, 2014.
3. Based on the proposed number of units it was determined that the additional demand on the water distribution system is insignificant.
4. The Applicant has indicated that the fire flow demand for the fire suppression system is 696 gpm at 52 psi. A hydrant flow test performed on January 11, 2013, indicates that the Authority's water distribution system has this fire flow available.
5. Applicant has acknowledged that all proposed water mains and fire hydrants will remain privately owned and maintained by the Applicant.
6. 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.
7. Technical requirements sufficient for Minor Water Approval have been satisfied.
8. A copy of this report has been supplied to the Contact Person of the Applicant as listed on the application form.
9. Recommend Minor Water Approval subject to the following conditions:

CONDITIONS:

1. Applicant shall pay all applicable fees.
2. All proposed on-site water mains to remain privately owned and maintained by the Applicant.
3. Total number of sprinkler heads shall be provided to this Authority as soon as available.

4. Applicant to schedule a pre-construction meeting at least two (2) weeks prior to commencing any utility construction.
5. Performance Guarantee, Certificate of Insurance and proof of all required permits shall be submitted prior to the pre-construction meeting.
6. The Applicant shall construct the water improvements in accordance with the Approved Drawings, and permits issued by any Agency having jurisdiction.
7. Applicant to fully comply with the Rules and Regulations of the Authority and any Agency having jurisdiction.
8. This Minor Water Approval shall expire one (1) year from the date of the resolution if no construction has taken place within that one (1) year period.

**Gateway Shopping Center-Panera Bread/Brixmor
Property Group**

2. S15-510, Minor Sewer – 7 EDCU's

MINOR SEWER APPLICATION
RECOMMEND APPROVAL

APPLICATION NUMBER: S15-510

DATE: April 10, 2015

APPLICANT: Brixmor Property Group

DEVELOPMENT NAME: Gateway Shopping Center – Panera
Bread

TYPE: COMMERCIAL

DRAINAGE BASIN: Pricketts Brooks

BLOCK/LOT: 5000/3 (22.7 Acres)

NO. OF UNITS: 7 EDCU'S

LOCATION: Route 9 southbound at Ernston Road.

DESCRIPTION: Construction of two (2) sewer laterals connecting into an existing on-site sewer manhole to service a new tenant in the existing Gateway Shopping Center.

COMMENTS:

1. Minor Review, Inspection and Connection fees have been paid.
2. The Applicant has indicated that Township Site Plan Approval was not required for this construction; this must be verified by the Township.
3. This property contains a one (1) EDCU existing sewer customer, and therefore this application will only add an additional six (6) units to our sewer system.
4. Based on the number of additional units that this applicant would add to the sewerage collection system, it was determined that the gravity sewer did not require a capacity study.
5. Applicant has acknowledged that all proposed sewer lines will remain privately owned and maintained by the Applicant.
6. The proposed grease trap shall be approved by the Township Plumbing Sub-Code Official.
7. The size, slope and installation of the on-site sewer laterals are subject to approval by the Township Plumbing Sub-Code Official.
8. The Applicant shall provide proof of title showing that it is the owner of the property.
9. Technical requirements sufficient for Minor Sewer Approval have been satisfied.
10. A copy of this report has been supplied to the Contact Person of the Applicant as listed on the application form.
11. Recommend Minor Sewer Approval subject to the following conditions:

CONDITIONS:

1. Applicant shall pay all applicable fees.

2. The Applicant shall comply with and address any and all comments in this Engineer's Report dated 2014.
3. There shall be no prohibited wastes discharged into the sewer system including discharge from any HVAC system.
4. All proposed sewer lines to remain privately owned and maintained by the Applicant.
5. Applicant to schedule a pre-construction meeting at least two (2) weeks prior to commencing any utility construction.
6. Certificate of Insurance, proof of Title and proof of all required permits shall be submitted prior to the pre-construction meeting including verification from the Township that Site Plan Approval is not required.
7. The Applicant shall construct the sewer improvements in accordance with the Approved Drawings, and permits issued by any Agency having jurisdiction.
8. Applicant to fully comply with the Rules and Regulations of the Authority and any Agency having jurisdiction.
9. This Minor Sewer Approval shall expire one (1) year from the date of the resolution if no construction has taken place at the site within that one (1) year period.

A motion to approve All American Ford/All American Ford of Old Bridge, Inc., W14-646, Minor Water, and Gateway Shopping Center-Panera Bread, S15-510, Minor Sewer as recommended was made by Dr. Greenberg and seconded by Mr. Greene.

The roll call was as follows:

AYES: Greenberg, Greene, Testino, Cahill, Haney

NAYS: None

ABSENT: Weber

5 Ayes 0 Nays 1 Absent

Engineering Reports: Michael Roy, P.E.
NONE

Financial Report: Michelle Smith, Comptroller

Truck Auction

Mrs. Smith stated that there is a need to auction a Water Division 2000 Ford F-150 truck on GovDeals.com.

A motion to approve the auction of a Water Division 2000 Ford F-150 truck on GovDeals.com was made by Dr. Greenberg and seconded by Mr. Haney.

The roll call vote was as follows:

AYES: Greenberg, Greene, Testino, Cahill, Haney

NAYS: None

ABSENT: Weber

5 Ayes 0 Nays 1 Absent

Workers' Compensation Policy Premium Review

Mrs. Smith requested authorization to enter into an agreement with Corporate Cost Solutions, a consulting group from Bay Shore, NY, to review three years of past Workers' Compensation policies focusing on recovering overpaid premiums. The fee is 50% of the savings attributable to their audit for the current year and one future policy period. If no savings are found, there is no fee.

Answering several Commissioners' questions, Mrs. Smith explained that this review had been undertaken about every five years, and there was money saved from their last audit.

A motion to authorize an agreement with Corporate Cost Solutions to review Workers Compensation policies to recover overpaid premiums was made by Dr. Greenberg and seconded by Mr. Haney.

The roll call was as follows:

AYES: Greenberg, Greene, Testino, Cahill, Haney

NAYS: None
ABSENT: Weber
5 Ayes 0 Nays 1 Absent

Expense Schedule

Mrs. Smith stated that included in the Commissioners' packets was an expense schedule through the ten months ended March 31, 2015 and the projected numbers through year end May 31, 2015. Based upon projections, the Authority should realize expenses under budget by approximately \$2,568,000.

Bills & Claims: A motion to approve Bills & Claims in the amount of \$1,234,230.55 was made by Mr. Haney and seconded by Mr. Greene.

The roll call was as follows:

AYES: Greenberg, Greene, Testino, Cahill, Haney
NAYS: None
ABSENT: Weber
5 Ayes 0 Nays 1 Absent

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

Old Business: Mr. Greene requested the status of the Crossroads mediation.

Mr. Samuel stated that the contactor is considering the amounts to determine if an agreeable cost can be arrived at to complete this project.

Mr. Greene stated that Birch Hill would like to have the pump station abandoned due to existing problems.

Brunetti Oaks – Status

Mr. Roy stated that there is nothing to report.

New Business: NONE

Open to Public: Seeing no hands, Chairman Haney closed the public portion.

Executive Session: A motion to go into Executive Session at 7:36 p.m. was made by Mr. Haney and seconded by Mr. Greene.

The roll call was as follows:

AYES: Greenberg, Greene, Testino, Cahill, Haney

NAYS: None

ABSENT: Weber

5 Ayes 0 Nays 1 Absent

The Regular Meeting reconvened at 8:02 p.m.

During Executive Session the following item was discussed:

Sayreville Force Main Break

A motion to authorize payment to B&W Contractors in the amount of \$97,168.26 for services rendered in connection with the Sayreville Force Main Break; seek reimbursement from the Authority's insurance company; and amend the current bill list to reflect this payment was made by Mr. Testino and seconded by Mr. Haney.

The roll call was as follows:

AYES: Greenberg, Greene, Testino, Cahill, Haney

NAYS: None

ABSENT: Weber

5 Ayes 0 Nays 1 Absent

A motion to authorize Mitchell Jacobs, Esq. to pursue all claims for recovery of the payment made to B&W Contractors with respect to the Sayreville force main break was made by Mr. Testino and seconded by Mr. Greene.

The roll call was as follows:

AYES: Greenberg, Greene, Testino, Cahill, Haney

NAYS: None


ABSENT: Weber

5 Ayes 0 Nays 1 Absent

Adjournment: A motion to adjourn at 8:03 was made by Mr. Testino and seconded by Dr. Greenberg.

The motion was approved by an ALL AYES vote.

Respectfully submitted:



Edward Testino, Secretary

Brian Cahill ^{ASST.}