

OLD BRIDGE MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
June 17, 2015

Call to Order: The Regular Meeting of June 17, 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

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

Middlesex Water Rate Increase

Qualifications were received on June 10, 2015 for the services of Special Counsel with experience in rate cases before the BPU. After reviewing the qualifications with the staff engineer and attorney, the recommendation is to hire Frank Borin, Esq., of DeCotiis Fitzpatrick & Cole, LLP, whose resume is extensive in rate cases before the BPU (same attorney representing Marlboro in this MWC rate case). The recommendation is to authorize a

Shared Service Agreement between the OBMUA and Marlboro Township to use the same Engineer and the same Attorney, which will be the most efficient means of opposing Middlesex Water Company's petition for a rate increase.

Mr. Jacobs stated that the MUA was asked by Marlboro Township to enter into the Shared Services Agreement with both the Engineer and Attorney with respect to the Middlesex Water Company rate case. The DeCotiis rate indicated that the same rate would be charged for both Partners and Associates (\$175.00). A resolution to approve the Shared Services Agreement to include DeCotiis is recommended.

Mr. Greene inquired if the MUA had a Shared Services Agreement with East Brunswick.

Executive Director Donatelli stated that East Brunswick went on its own last time. They are still evaluating whether they will join this year. Their rates are applied differently.

Mr. Roy stated that last time we had a rate increase, the MUA hired the Engineer and the Attorney and entered into a Shared Service Agreement with Marlboro Township for them to share in the costs.

Mr. Cahill stated that the blended rate is advisable, but inquired how the MUA is assured that they are receiving the best representation.

Mr. Jacobs replied that he will be monitoring the proceedings, and if there is a feeling that the MUA's best interests are not being represented, or if there appears to be a conflict, separate counsel will be retained.

Mr. Greene stated that Hesser McBride was excellent.

Mr. Jacobs assured the Commissioners that the DeCotiis firm has a vast resume in these types of matters.

A motion to hire Frank Borin, Esq. of the firm of DeCotiis Fitzpatrick & Cole, LLP as part of an amended Shared Services Agreement with Marlboro Township in connection with the Middlesex Water Company rate case 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

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

Mr. Weber inquired about the cost of water to Middlesex Water Company versus the cost of water from our own wells.

Executive Director Donatelli stated that the cost was about half of the cost for Middlesex Water.

Mr. Weber stated that the ratio is acceptable with the amount charged to Aberdeen.

Mr. Greene stated that usage of Middlesex Water is an offset to what Old Bridge uses. It is a positive for the MUA as far as what is being sold, but at the same time the purchase of Middlesex Water has an additional expense that offsets that increase.

Dr. Greenberg stated that more usage appears to bring more money in, but in reality the MUA has to pay more.

Executive Director Donatelli stated that beyond the rate of three million gallons per day, there is a formula in the contract for peak water usage. The MUA is charging customers a conservation rate that requires the higher end users to pay more, but the MUA is also paying more of a premium to Middlesex Water Company. It is not a big windfall to sell a lot of water.

Mr. Weber inquired what the rate was for Aberdeen.

Executive Director Donatelli stated that the rate is 20% above the highest rate paid to Middlesex Water Company.

Dr. Greenberg asked what the percentage sold to Aberdeen that has to be bought back from them.

Executive Director Donatelli stated that there is a take or pay of approximately 800,000, but they average closer to 600,000 per

day. The average with Middlesex Water Company is approximately 2.7 million gallons per day. The MUA buys back a very small portion for Genoa.

Mr. Carlock inquired if the charcoal filter had been installed, and if the MUA approached Middlesex Water Company for the cost.

Executive Director Donatelli stated that this had not yet been done. Litigation is the only way to seek reimbursement. They are selling water that meets the DEP standards which puts the Authority in a precarious situation because the water is below the threshold, and Middlesex Water Company is meeting regulations. The Authority must blend its water at times to meet the DEP regulations.

Mr. Weber asked if the MUA has the ability to blend the Middlesex Water at 100% throughout the town.

Executive Director Donatelli stated that we are only able to blend the water at locations near our Middlesex Water Company interconnections at Oak Street, Perrine Road and Marlboro Road. The Oak Street interconnection is blended with water from the Old Bridge WTP, and the interconnection at Perrine Road is blended with water from Browntown WTP. The same applies at the Marlboro Road interconnection which, when it is open, is blended with water from the Old Bridge WTP. The Marlboro Road interconnection under normal operation is limited.

Mr. Weber stated that with a full blend throughout the Township and based on the way the Authority is getting water at a ratio of three to one, the Authority can reduce whatever is below the standards.

Executive Director Donatelli stated that was true since ground water has zero THM's.

Mr. Weber asked if the blending process adds more to the cost as opposed to a carbon filter.

Executive Director Donatelli stated that the cost to blend is probably insignificant. The Carbon Filter is only for the Sayrewoods Area at the most northern part of the Township.

Mr. Haney asked that the liability issue be reviewed to determine if the Authority has reasonable opportunity to move forward against Middlesex Water Company.

Executive Director Donatelli stated that the Authority is not satisfied with the level of disinfection by-products (THMs) coming from Middlesex Water Company. There have been meetings with the DEP. Middlesex Water Company is meeting the acceptable levels in their system, and the only proof the Authority has is the THM monitor that allowed the Authority to blend the water and move forward with the carbon filter. Pressure has been applied to Middlesex Water Company to monitor its treatment facilities.

Mr. Greene stated that it is the Authority's responsibility to monitor the quality of the water.

Mr. Weber asked if the cost of the filtration system could be part of the rate case appeal.

Mr. Greene stated that this has been tried previously.

Executive Director Donatelli stated that this would have to prevail in court with a decision that Middlesex Water Company is not selling water that they should contractually be obligated to sell.

Mr. Roy stated that water quality is never a part of a rate appeal case, only the cost of producing and delivering the water.

Union Negotiations

Executive Director Donatelli stated that meetings are scheduled through July and early August. Progress updates will be reported to the Commissioners monthly until a settlement is reached.

Previous Minutes: **Regular Meeting - March 16, 2015**
Executive Session - March 16, 2015

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

The roll call was as follows:

AYES: Greenberg, Cahill, Carlock, Haney

NAYS: None

ABSENT: Testino

ABSTAIN: Greene

NO VOTE: Weber

4 Ayes 0 Nays 1 Absent 1 Abstain 1 No Vote

Regular Meeting - April 15, 2015
Executive Session - April 15, 2015

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

The roll call was as follows:

AYES: Greenberg, Greene, Cahill, Carlock, Haney

NAYS: None

ABSENT: Testino

NO VOTE: Weber

5 Ayes 0 Nays 1 Absent 1 No Vote

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 Mr. Weber.

The roll call was as follows:

AYES: Greenberg, Greene, Weber, Cahill, Haney

NAYS: None

ABSENT: Testino

5 Ayes 0 Nays 1 Absent

1. Summerfield Sewer Replacement – Performance Bond Release

Mr. Roy reported that the Summerfield Gravity Sewer Replacement project has been completed. The work included the construction of the new Shadyside Sewer Pump Station located at the corner of Shadyside and Summerfield Avenues, the abandonment of the sewer main through the easement behind Lantana Way, and stabilization of the slope area adjacent to the easement by means of retaining walls and soil embankments.

He also stated that R3M Engineering performed the Construction Management on this project and has recommended Final Acceptance of the work and release of the Contractor's Performance Bond. Mr. Roy also recommended that this project be accepted as complete, and final payment issued to the Contractor, Caruso Excavating, Inc., conditioned upon the submission of a two (2) year Maintenance Bond in the amount of ten percent (10%) of the original contract price.

A motion to approve the Summerfield Sewer Replacement – Performance Bond Release as recommended was made by Mr. Greene 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

**2. Annual Service Contracts – 1 Year Extension of Time
(a) Sewer Chemical Supplies – Evoqua Water Technologies
Contract No. S13-163**

Mr. Roy reported that on May 10, 2013, the Authority awarded the referenced contract to Siemens Water Technologies, Inc. (N/K/A Evoqua Water Technologies, LLC) The Authority authorized a one (1) year extension for the referenced contract on June 18, 2014, with Resolution No. M-41-14 that will expire on June 30, 2015.

He also stated that the Contract Documents allow for an additional one (1) year extension upon mutual agreement of both parties using the NJDCA "Index Rate" for any price adjustments in accordance with the Public Contracts Law. Evoquo Water Technologies, LLC has agreed to a one (1) year extension of this contract.

Mr. Roy stated that Evoqua Water Technologies, LLC has performed their work in an effective and efficient manner. Mr. Roy recommended a one (1) year extension, with a price adjustment based on the recently published State "Index Rate" which is currently one percent (1%), to Evoqua Water Technologies, LLC, 2650 Tallevast Road, Sarasota, FL 34243.

He also stated that all other contract provisions shall be in accordance with the same terms and conditions of the original contract. The contract extension will expire on June 30, 2016.

A motion to approve an Annual Service Contract – 1 Year Extension - for Sewer Chemical Supplies to Evoqua Water Technologies as recommended 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

**(b) Sewer Lab Testing of Industries – Aqua Pro-Tech
Labs Contract No. S13-164**

Mr. Roy reported that on May 10, 2013, the Authority awarded the referenced contract to Aqua Pro-Tech Laboratories. The Authority authorized a one (1) year extension for the referenced contract on June 18, 2014, with Resolution No. M-42-14 that will expire on June 30, 2015.

He also stated that the Contract Documents allow for an additional one (1) year extension upon mutual agreement of both parties using the NJDCA "Index Rate" for any price adjustments in

accordance with the Public Contracts Law. Aqua Pro-Tech Laboratories has agreed to a one (1) year extension of this contract.

Mr. Roy stated that Aqua Pro-Tech Laboratories has performed their work in an effective and efficient manner. Mr. Roy recommended a one (1) year extension, with a price adjustment based on the recently published State "Index Rate" which is currently one percent (1%), to Aqua Pro-Tech Laboratories, 1275 Bloomfield Avenue, Bldg., #6, Fairfield, NJ 07004.

He also stated that all other contract provisions shall be in accordance with the same terms and conditions of the original contract. The contract extension will expire on June 30, 2016.

A motion to approve an Annual Service Contract – One Year Extension - for Sewer Lab Testing of Industries to Aqua Pro-Tech Labs as recommended 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

**(c) Water Meters Absolute Encoder Registers
Contract No. W13-167 – Rio Supply, Inc.**

Mr. Roy reported that on August 21, 2013, the Authority awarded the referenced contract to Rio Supply, Inc. The Authority authorized a one (1) year extension for the referenced contract on June 18, 2014, with Resolution No. M-43-14 that will expire on June 30, 2015.

He also stated that the Contract Documents allow for an additional one (1) year extension upon mutual agreement of both parties using the NJDCA "Index Rate" for any price adjustments in accordance with the Public Contracts Law. Rio Supply, Inc. has agreed to a one (1) year extension of this contract.

Mr. Roy stated that Rio Supply, Inc. has performed their work in an effective and efficient manner. Mr. Roy recommended a one (1)

year extension, with a price adjustment based on the recently published State "Index Rate" which is currently one percent (1%), to Rio Supply, Inc., 100 Allied Parkway, Sicklerville, NJ 08081.

He also stated that all other contract provisions shall be in accordance with the same terms and conditions of the original contract. The contract extension will expire on June 30, 2016.

A motion to approve an Annual Service Contract - One Year Extension – for Water Meters Absolute Encoder Registers Contract No. W13-167 to Rio Supply, Inc. 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

(d) Water Supply Materials, Sections 1– 4 – Water Works Supply Contract No. W14-173

Mr. Roy reported that on June 18, 2014, the Authority awarded the referenced contract to Water Works Supply Co, Inc. by Resolution Nos. M-46-14, M-47-14, M-48-14 and M-49-14 that will expire on June 30, 2015.

He also stated that the Contract Documents allow for an extension of up to two (2) years upon mutual agreement of both parties using the NJDCA "Index Rate" for any price adjustments in accordance with the Public Contracts Law. Water Works Supply Co., Inc. has agreed to a one (1) year extension of this contract.

Mr. Roy stated that Water Works Supply Co., Inc. has performed their work in an effective and efficient manner. Mr. Roy recommended a one (1) year extension, with a price adjustment based on the most recently published State "Index Rate" which is currently one percent (1%), to Water Works Supply Co., Inc., 660 State Highway 23, PO Box 306, Pompton Plains, NJ 07444.

He also stated that all other contract provisions shall be in accordance with the same terms and conditions of the original contract. The contract extension will expire on June 30, 2016.

A motion to approve an Annual Service Contract – One Year Extension - for Water Supply Materials, Sections 1,2,3 and 4 to Water Works Supply Contract No. W14-173 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

(e) Water Supply Materials, Section 5 – Kennedy Culvert & Supply Contract No. W14-173

Mr. Roy reported that on June 18, 2014, the Authority awarded the referenced contract to Kennedy Culvert and Supply Co. with Resolution No. M-50-14 that will expire on June 30, 2015.

He also stated that the Contract Documents allow for an extension of up to two (2) years upon mutual agreement of both parties using the NJDCA “Index Rate” for any price adjustments in accordance with the Public Contracts Law. Kennedy Culvert and Supply Co. has agreed to a one (1) year extension of this contract.

Mr. Roy stated that Kennedy Culvert and Supply Co. has performed their work in an effective and efficient manner. Mr. Roy recommended a one (1) year extension, with a price adjustment based on the most recently published State “Index Rate” which is currently one percent (1%), to Kennedy Culvert and Supply Co., 395 Roycefield Road, Hillsborough, NJ 08844.

He also stated that all other contract provisions shall be in accordance with the same terms and conditions of the original contract. The contract extension will expire on June 30, 2016.

A motion to approve an Annual Service Contract – One Year Extension – for Water Supply Materials, Section 5 to Kennedy

Culvert & Supply Contract No. W14-173 as recommended 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

Prior to the roll call vote on the foregoing extensions of contracts the following statement was made.

Mr. Greene stated that as long as the Authority is satisfied with the services performed under these contracts, renewing the contracts in an amount of 1% is reasonable and fair and avoids much paperwork with respect to the bidding process. The Authority is moving in the right direction with these approvals.

3. Radio Frequency Transponders, Award Service Contract No. W15-176

Mr. Roy stated that this Contract contains two (2) different sections, each of which can be awarded separately under this contract.

Section 1 - MARS

Mr. Roy reported that there was one (1) bidder for this section of the contract. The lone bidder submitted Radio Frequency Transmitter (RFT) unit prices that are an average of one point five percent (1.5%) higher than the unit prices in last year's contract. The total cost increase for the year is estimated to be approximately \$2,400 to purchase RFTs.

Mr. Roy recommended awarding Section No. 1 of this contract to the lowest responsible bidder, OW Investors, LLC, doing business as (d/b/a) MARS Co., Ocala, FL. for the unit prices bid.

A motion to award Contract No. Contract No. W15-176 Section 1 to OW Investors, LLC, doing business as (d/b/a) MARS Co. as recommended 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

Prior to the roll call vote the following discussion took place.
Mr. Cahill asked if the intent of awarding Section 1 and 2 separately was an attempt to leverage the two companies.

Mr. Roy explained that the Authority wishes to retain the current vendor because 100% of the system is MARS. As the Authority begins to transition into Neptune, the Authority will determine which of the two may have a supply problem. The Authority has the capability to run both systems.

Executive Director Donatelli stated that although MARS is a good company, the Authority needs to be proactive.

Section 2- NEPTUNE, ITRON OR EQUAL

Mr. Roy also reported that there were (4) bidders for this section of the contract. The lowest bidder submitted RFT unit prices that are one point two percent (1.2%) higher than the unit prices in last year's contract. The total cost increase for the year is estimated to be approximately \$2,025 to purchase RFTs.

Mr. Roy recommended awarding Section 2 of this contract to the lowest responsible bidder, Neptune Technology Group, Inc., Tallassee, AL. for the unit prices bid.

A motion to award Contract No. Contract No. W15-176 Section 2 to Neptune Technology Group, Inc. as recommended 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

4. Field Services, Award Contract No. WS15-177

Mr. Roy reported that the lowest bidder, B&W Construction Co., of NJ, Inc., has not taken any exceptions on the proposal, and is also not listed on the State's Debarred List. B&W Construction Co., of NJ, Inc., is the Authority's current contract vendor and has submitted prices that are compatible to his current unit prices.

Mr. Roy recommended awarding this contract to the lowest responsible bidder, B&W Construction Co., of NJ, Inc., PO Box 574, South River, NJ 08882, for the unit prices bid.

A motion to award Field Services Contract No. WS15-177 to B&W Construction Co., of NJ, Inc. as recommended was made by Mr. Haney 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

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

Mr. Weber asked for a confirmation that the new "spec" was an enhanced level of service.

Mr. Roy stated that the pavement was an item by itself, and it was harder for the employees to monitor the quantities. The pavement bid item is materials only. The authority is paying for material costs only.

5. Sewer Pump Station Upgrades – Engineering Services for Design

Mr. Roy reported that the Authority is in need of improvements to eleven (11) sewage pump stations. The improvements consist of the retrofitting equipment within the sewage pump stations to facilitate maintenance. The maintenance equipment includes a man-lift for ease of operator access to the pumps located in the underground pump station drywell, and shredder equipment (communitors) to shred solid material in the sewage stream to prevent pump blockages.

On May 5, 2015 Richard A. Alaimo Associates, submitted a proposal for the design and preparation of contract documents, as

well as the preparation of the necessary Planning Documents that are required for NJEIT funding. The estimate of engineering fees of \$304,000 is shown on the man-hours” breakdown by labor category for the design and planning work.

The dollar amounts of these estimated fees appear to be reasonable. The fees are based upon an estimate of the number of hours required for the level of effort anticipated for each of the engineering tasks in accordance with their Consulting Engineering Agreement dated February 1, 2015.

The estimated construction cost for the theses sewage pump station improvements total approximately \$1.5 million dollars and is to be funded through the NJEIT low interest loan program.

Mr. Roy recommended authorizing Richard A. Alaimo Associates to perform the Engineering Services in the amount \$304,000 in accordance with their proposal dated May 5, 2015, and their 2015 Agreement for Engineering Consulting services for the Sewer Division.

A motion to authorize Richard A. Alaimo Associates to perform the Engineering Services in the amount \$304,000 in accordance with their proposal dated May 5, 2015, and their 2015 Agreement for Engineering Consulting services for the Sewer Division as recommended was made by Dr. Greenberg and seconded by Mr. Cahill.

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. Weber asked if the expectation is to reduce maintenance costs.

Mr. Roy responded “yes”.

Mr. Weber asked if there were trackable records on the maintenance costs.

Mr. Roy stated that the records could be provided.

Dr. Greenberg asked that when these improvements have been completed, would all pump stations be up to par.

Mr. Roy stated that with these improvements all pump stations would be at the same level. The new pump stations already have this equipment.

6. Crossroads Regional Interceptor – Change Order No. 7

Mr. Roy reported that Change Order No. 7 to Northeast Remsco Construction, for the referenced project is recommended and has been prepared by R3M Engineering, Inc. and includes the amount of increase and decreases in costs, and the reason for the changes to the Contract Documents.

He also stated that this Change Order consists of field changes to install a fifteen-inch (15") PVC sewer main by means of an "open-cut" method between Manholes No. 7 and No. 8 (Oasis Ford parking lot near Rt. 18) and between Manholes No. 3 and No. 4 (in Spring Valley Road near the LukOil gas station). This change order also eliminates the tunneling cost in the contract for these lengths of sewer main installation, and covers the claims by the Contractor of unforeseen soil conditions that caused the failure of the tunneling installation.

Mr. Roy stated that the cost of this Change Order No. 7 is \$718,137.00, which is a nine point four three percent (9.43%) increase from the amended contract amount of \$7,614,649.76 to a new contract amount of \$8,332,786.76. Together with the previous Change Orders No. 1 through No. 6, the total change orders to date represent an eighteen point seven four percent (18.74%) increase from the original contract amount.

He also stated that 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 Crossroads Regional Interceptor – Change Order No. 7 as recommended 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

Financial Report: Michelle Smith, Comptroller

Mrs. Smith reported that the Authority received checks totaling \$19,709.61 representing payment for the 2014-15 program through the Energy Curtailment Specialists which is a demand response program designated to give relief from potential brownout and blackouts when demand on the electric grid is forecasted to be at or in excess of available electric supply.

Mrs. Smith provided a Preliminary Revenue Schedule for the year ended May 31, 2015 for the Commissioners' review. The Water Division is projected to end in a shortfall of \$42,000; the Sewer Division is projected to end the year with revenues over forecasted by \$643,000. Revenues are projected to be over budget by \$601,000 or 1.8% for the year.

Mrs. Smith provided a Preliminary Expense Summary for the year ended May 31, 2015 for the Commissioners' review. The Water and Sewer Divisions are both expected to be under budget by \$1,301,000 and \$971,000 respectively for the year. Expenses are projected to be under budget by approximately \$2,272,000 for the year of 6.9%

A motion to accept the Financial Report 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

Bills & Claims: A motion to approve Bills & Claims in the amount of \$1,340,302.81 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

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

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

Update on Construction Projects

Mr. Roy stated that we are about to break ground for the Laurence Harbor Bulkhead Retaining Wall as protection along the Raritan Bay. As construction progresses, he will have pictures to present to the Commissioners. The expected completion is prior to winter.

New Business: **Chamber of Commerce Golf Outing**
Mr. Greene stated that in the past the Authority has supported the Chamber of Commerce Golf Outing that is scheduled for July 13, 2015 at the Glenwood Country Club in the amount of \$640.00 for a foursome.

Mr. Haney questioned whether the Authority sponsored one hole or a foursome and asked Executive Director Donatelli to ascertain what had been done in previous years.

Mr. Greene suggested that since there would not be another meeting prior to the event, perhaps a motion could be made to repeat whatever had been done in the past for this event.

Mr. Jacobs inquired about the cost of sponsorship.

Mr. Greene replied that the cost to sponsor a foursome is \$640.00; one hole is \$100.00.

Mr. Haney stated that although he supports the Chamber of Commerce, as a public agency he is uncomfortable about sponsoring a foursome.

Mr. Jacobs suggested that the Authority simply pay the same amount of money as it donated in 2014.

A motion to support the Chamber of Commerce Golf Outing to be held at the Glenwood County Club on July 14, 2015 at the same level as the donation made in 2014 was made by Mr. Greene and seconded by Mr. Cahill.

The roll call was as follows:

AYES: Greenberg, Greene, Weber, Cahill, Haney

NAYS: None

ABSENT: Testino

5 Ayes 0 Nays 1 Absent

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

Executive Session: A motion to go into Executive Session at 8:14 p.m. was made by Mr. Haney and seconded by Dr. Greenberg.

The motion was approved by an ALL AYES vote.

**The Regular Meeting resumed at 8:30 p.m.
During Executive Session the following items were discussed:**

- 1. Brunetti Litigation**
- 2. Sayreville Sewer Main Break**
- 3. Employee Evaluation and Hiring Practices**

Adjournment: A motion to adjourn at 8:31 p.m. was made by Mr. Haney and seconded by Dr. Greenberg.

The motion was approved by an ALL AYES vote.

Respectfully submitted:



Edward Testino, Secretary - Act

BRIAN CAHILL