

OLD BRIDGE MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
July 15, 2015

Call to Order: The Regular Meeting of July 15, 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
Edward Testino, Secretary
Anita Greenberg, Treasurer
Frank Weber, Assistant Treasurer
Brian Cahill, 1st Alternate
Paul Carlock, 2nd Alternate (arrived at 7:04 p.m.)

Absent:
None

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 Garden State Labs and the Monthly Water Distribution for June 2015 that indicated that there was no coliform found during the monthly testing.

Consumer Confidence Report

Executive Director Donatelli stated that the 2015 Consumer Confidence Report has been distributed to the residents in accordance with the EPA and NJDEP requirements. The Consumer Confidence Report contains information about the

Authority's water system and recent test results of the quality of the water.

Union Negotiations

Executive Director Donatelli stated that he met with union representatives on Tuesday, July 14, 2015 and will meet again on Friday, July 16, 2015. He will have a report to the Commissioners at the meeting of August 19, 2015.

Vehicle Purchase

Executive Director Donatelli stated that the Water Division has a need for a 4X4 pickup truck with a plow for its operations. NJ State Contract No. 88728 has a vehicle that is suitable for its needs. Funds are available for the purchase of a Ford F150 Cab 44 with a Boss HTX snowplow at the price of \$43,735.

A motion to approve the purchase a Ford F150 Cab 44 with a Boss HTX snowplow at the price of \$43,735 under State Contract No. 88728 was made by Mr. Haney and seconded by Mr. Testino.

The roll call was as follows:

AYES: Greenberg, Greene, Testino, Weber, Haney

NAYS: None.

5 Ayes 0 Nays 0 Absent

Middlesex Water Company Rate Filing

To be discussed in Executive Session.

Previous Minutes: **Regular Meeting - May 20, 2015**

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

The roll call was as follows:

AYES: Greenberg, Greene, Testino, Weber, Haney

NAYS: None.

5 Ayes 0 Nays 0 Absent

Executive Session - May 20, 2015

A motion to approve the previous minutes was made by Mr. Weber and seconded by Mr. Testino.

The roll call was as follows:

AYES: Greenberg, Greene, Testino, Weber, Haney

NAYS: None.

5 Ayes 0 Nays 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. Testino and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Greenberg, Greene, Testino, Weber, Haney

NAYS: None.

5 Ayes 0 Nays 0 Absent

Engineering Reports: Michael Roy, P.E.

Report on Developers for Approval
None

Engineering Reports: Michael Roy, P.E.

1. Walgreens Route 516, W14-641, S14-506

Mr. Roy reported that the Water and Sewer Developer Agreements for the referenced applications have been prepared and signed in accordance with the Final Water and Sewer Approvals granted on May 20, 2105.

Mr. Roy also stated that the Developer Agreements consist of the standard language, and the conditions of the Final Water and Sewer Approvals to construct approximately 150 LF of six and eight inch (6" & 8") DIP to connect into an existing water main and approximately 75 LF of four inch (4") DIP lateral to connect

into an existing on-site cleanout in Gaub Road to service a proposed 13,650 SF Walgreens on a one (1) acre leased portion of the Browntown Shopping Center.

He also stated that the agreements have been signed by the Developer, and are ready to be considered for authorization to be countersigned by the Authority.

A motion to approve the countersigning of the Water and Sewer Developer Agreements for Walgreens Route 516, W14-641, S14-506 as recommended was made by Mr. Testino and seconded by Mr. Weber.

The roll call was as follows:

AYES: Greenberg, Testino, Weber, Haney

NAYS: None

ABSTAIN: Greene

4 Ayes 0 Nays 1 Abstain 0 Absent

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

Mr. Cahill requested a confirmation that the "marina" was not going to be discussed this evening.

Mr. Roy stated that there would not be a discussion this evening. Their biggest problem is that they requested a fire flow demand that exceeds what the Authority's available fire flow is in the water distribution system near the applicant's property. They have requested a fire flow demand that is almost twice as much as is available. They will either have to build their own water storage tank; change the construction material; or install a fire suppression system. They must reduce their fire flow demand on the Authority's system.

Mr. Greene inquired as to the number of slips planned.

Mr. Roy stated that although he doesn't recall, the number of slips is indicated in a file in his office.

Mr. Cahill asked if water could be pumped from the bay.

Mr. Roy stated that a plan like that could be an alternative; however, the owners are asking now for a fire flow from the Authority of twelve hundred gallons per minute, and the Authority can only provide seven hundred gallons per minute. The liability in granting approval is that the Authority does not have the fire flow requirements of this applicant. Mr. Roy stated that he met with the applicant about a year ago, and if the marina made an application soon after that meeting, the fire flow issue could have been worked out by now.

Financial Report: Michelle Smith, Comptroller

Resolution

A motion to approve an application to the Local Finance Board for its review of proposed project financing in connection with a loan through the NJEIT was made by Mr. Testino and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Greenberg, Greene, Testino, Weber, Haney

NAYS: None

5 Ayes 0 Nays 0 Absent

Digital Assurance Certification (DAC)

A motion to enter into an agreement with Digital Assurance Certification (DAC) to act as the Authority's Disclosure Dissemination Agent for Bond Offerings to insure compliance with the Continuing Disclosure Agreements (CDAs) and SEC Post-Issuance requirements in the amount of \$2,500 for initial setup and \$1,500 on-going annual filing/storage fee was made by Mr. Testino and seconded by Mr. Greene.

The roll call was as follows:

AYES: Greenberg, Greene, Testino, Weber, Haney

NAYS: None

5 Ayes 0 Nays 0 Absent

Bills & Claims: A motion to approve Bills & Claims in the amount of \$1,494,556.09 was made by Dr. Greenberg and seconded by Mr. Testino.

The roll call was as follows:

AYES: Greenberg, Greene, Testino, Weber, Haney

NAYS: None

5 Ayes 0 Nays 0 Absent

Legal Report: Mitchell Jacobs, Esq.

Mr. Jacobs stated that his firm continually monitors legislative activity, and there are several pieces of legislation that could impact the Authority. There is a new bill dealing with the public bidding laws that has passed both Houses and is waiting for the governor's signature. The bill requires that once three or more potential bidders receive bid documents, and anyone requests a list of those potential bidders, the contracting unit is going to have to provide that list in order to enable a subcontractor to become more involved in the process. The presumption being that the more subcontractors involved in the bidding process, the lower the cost.

Another bill which was introduced in June 2015 that has not been passed by either of the Houses requires local public authorities which charge for water and sewer services to base residential customer bills exclusively on their metered consumption.

Executive Director Donatelli stated that a formula based on historical use could be used in place of metering the sewer line.

Mr. Greene inquired about the impact of the MCUA on what the Authority is billed.

Executive Director Donatelli stated that the MCUA is billing the Authority now on the amount of sewage that is metered.

Mr. Roy stated that it would be more difficult to budget for the cost of sewer service to MCUA if you don't use a fixed sewer use charge to the ratepayers.

Mr. Greene stated that water usage can be measured and that can be translated into a sewer bill, but MCUA is charging for flow and whatever their treatment costs are.

Mr. Haney stated that the problem would be if the Authority has to meter each user.

Mr. Jacobs stated that there is a third bill that would make changes to the NJEIT financing program that has passed both Houses. This bill extends the repayment terms from twenty to thirty years. It also opens up new avenues for short-term financing.

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

**Lawrence Harbor Bulkhead (Retaining Wall)
Crossroads Regional Interceptor Construction**

Mr. Roy offered a comprehensive video presentation detailing the construction and progress of the Lawrence Harbor Bulkhead and the Crossroads Regional Interceptor construction projects.

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 7:38 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 7:50 p.m.

During Executive Session the following items were discussed:

- 1. Brunetti Litigation**
- 2. Middlesex Water Rate Increase & Petition**

Middlesex Water Rate (MWC) Increase

A motion was made to authorize the Executive Director to implement the recommendations made by the attorney with respect to a MWC rate increase by Mr. Testino and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Greenberg, Greene, Testino, Weber, Haney

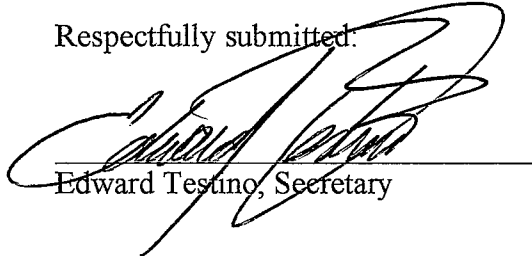
NAYS: None

5 Ayes 0 Nays 0 Absent

Adjournment: A motion to adjourn at 7:54 p.m. was made by Mr. Testino and seconded by Dr. Weber.

The motion was approved by an ALL AYES vote.

Respectfully submitted:



Edward Testino, Secretary