

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

Call to Order: The Regular Meeting of October 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
Richard Greene, Vice Chairman
Edward Testino, Secretary
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.
James Cleary, Esq.

Moment of Silence

Chairman Haney requested a moment of silence in memory of Ike Welcome, a former employee instrumental in the Authority's development, who recently passed away.

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

Purchase of Valve Maintenance Trailer

Executive Director Donatelli stated that, as previously discussed, there is a need for the purchase of maintenance equipment capable of exercising street water main valves. The Staff has prepared Contract Documents that were approved by Mr. Cleary for the advertisement of public bids.

A motion was made, as recommended, to advertise for public bids a material contract to purchase a Valve Maintenance Trailer 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

NJDEP/Old Bridge Acres Program

Executive Director Donatelli explained that under this program, homes that are purchased by the State are demolished and new homes cannot be built in their place without a huge expense because of the flood level. All water and sewer utilities have been shut off to these properties. The NJ State Blue Acres Program will pay the final water and sewer bills. There is a need for a resolution waiving any future water or sewer billings until a permanent disconnection is made for each home.

A motion was made, as recommended, to authorize an extension of a waiver of future water and sewer billings until a permanent disconnection is made on those homes in Old Bridge recently purchased under the NJ State Blue Acres Program was made by Mr. Testino 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

Union Negotiations

Executive Director Donatelli stated that negotiations are ongoing. He anticipated a report to the Commissioners at the November meeting.

Audit Report

Mr. Allison expressed his opinion that the Authority's Audit Report is unmodified and clean which is the highest evaluation an auditor can give. The Authority is financially strong as is evidenced by the Auditor's tests and procedures. There are no findings or recommendations with respect to the financial statements.

The MD@A report stated that the Authority's gross capital assets have increased by \$7 million; the net position has increased by \$4.5 million; total liabilities have decreased by \$4 million. The debt obligation has been reduced faster than new debt is being incurred.

Mr. Allison presented a brief overview of the Audit Report to the Commissioners.

Mr. Greene stated that OPEB fund has decreased significantly due to the rising cost of insurance.

Mr. Allison stated that although this is true, the Authority continues to fund the OPEB. Next year the pensions will have to be reported on the financial statement. Although the Authority does not get involved with this, the State calculates what the requirements and levels are. Since the pension fund is severely underfunded, the Authority will see a "big hit" to its net position. This is an accounting mechanism, and the movement to show the true existing costs to the Authority.

Mr. Testino stated that he is very proud of Mrs. Smith for efficiently assuming the role of Comptroller after the retirement of Mr. Florek.

With respect to pensions and post-employment benefits, he feels that Authority is paying its fair share of the costs, and the expense is unjustly burdening the municipalities when it is the State that has underfunded this expense.

Mr. Haney thanked and congratulated Mr. Allison for a thorough and comprehensive audit report.

A motion was made, as recommended, to accept the Audit Report 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

Previous Minutes:

August 19, 2015 – Regular Meeting

A motion to approve the previous Regular Meeting minutes of August 19, 2015 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

August 19, 2015 – Executive Session

A motion to approve the previous Executive Session minutes of August 19, 2016 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

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. Haney.

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.

REPORT ON DEVELOPERS FOR APPROVAL

- 1. Amboy Bank- Matawan Road/Amboy Bank
W15-651, Preliminary & Tentative Water – 3 + 1 Irrigation +
1 Fire = 5 EDCU's**

PRELIMINARY AND TENTATIVE WATER APPLICATION
RECOMMEND APPROVAL

APPLICATION NUMBER: W15-651

DATE: October 16, 2015

APPLICANT: Amboy Bank

DEVELOPMENT NAME: Amboy Bank – Matawan Road

TYPE: COMMERCIAL

USE: DOMESTIC, FIRE PROTECTION AND IRRIGATION

BLOCK/LOT: 3230.2.11 (1.1 Acres)

NO. OF UNITS: 3 + 1 Irrigation + 1 Fire = 5 EDCU'S

LOCATION:

On the west side of Matawan Road (a/k/a Laurence Harbor Road) just south of the Garden State Parkway.

DESCRIPTION:

Construction of approximately 430 LF of eight inch (8") DIP water main connecting into the existing water main in Matawan Road to service a proposed 9,000 SF bank/office.

COMMENTS:

1. Balance of Tentative Review fees are due with the Final Water Application submittal.
2. Township Final Planning Board Approval was granted on May 5, 2015.
3. The Equivalent Domestic Consumer Unit (EDCU) calculation was based on retail/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. Based on the proposed number of units it was determined that the additional demand on the water distribution system is insignificant.
5. There are no existing residential dwellings in the area to be provided with municipal water service.
6. Provide peak water demand in gallons per minute (gpm) and a listing of the number of fixture types for the purpose of sizing each water meter.
7. The Applicant has indicated that the fire flow demand for the fire suppression system is 155 gpm at 46 psi. A hydrant flow test performed on August 27, 2015, indicates that the Authority's water distribution system has this fire flow available.
8. The Applicant has indicated that all proposed water mains and fire hydrants will be dedicated to the Authority. Applicant to further acknowledge that all proposed on-site water mains and fire hydrants will remain privately owned and maintained by the Applicant.
9. A written private utility maintenance plan shall be submitted for review in accordance with the Authority's Rules and Regulations.

10. Submit proof of the Fire Official's Approval of hydrant locations.

11. The Applicant shall provide proof of title within ten (10) days after the closing that shows ownership of the property.

12. Provide a list of outside agency permits required for this project including County Road Opening Permit. It appears that the work under this Application will not require a NJDEP Safe Drinking Water Permit.

13. Drawings to be revised as per marked-up drawing set and as follows:

A. Indicate water and sewer application numbers on all drawing sheets.

B. Indicate a minimum of twelve-inch (12") clearance between water and storm sewer lines at all crossings or provide encasements.

C. Indicate all valves including valves on fire service lines.

D. Indicate proposed eight inch (8") main as D.I.P. on both plan and profile.

E. Indicate water construction details in accordance with Authority's Standard Details and shown on a separate sheet from other details.

F. Add note which states that, "The wet cut drilling operation will be performed by the Authority in accordance with the Authority's Rate Schedule at the time payment is made".

G. Add note that states that, "The Contractor must comply with all State and Federal Confined Space Rules".

H. Add note which states that, "Fire lines will be subject to more stringent pressure testing than the other water mains as prescribed by the Township Building Codes".

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

A. October 26, 2015

B. November 25, 2015

C. December 30, 2015

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

16. Recommend Preliminary and Tentative Water Approval subject to the following four (4) conditions:

CONDITIONS:

- 1. Applicant shall pay all applicable fees.
- 2. All comments from this Engineer's Report dated October 16, 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 Preliminary and Tentative Water Approval shall expire one (1) year from the date of the resolution.

A motion to approve Amboy Bank – Matawan Road, W15-651, Preliminary & Tentative Water as recommended was made by Mr. Haney and seconded by Dr. Greenberg.

The roll call was as follows:

AYES: Greenberg, Greene, Cahill, Carlock, Haney

NAYS: None

ABSENT: Weber

NO PARTICIPATION: Testino

5 Ayes 0 Nays 1 Absent 1 No Participation

**2. Amboy Bank-Matawan Road/Amboy Bank
S15-515, Preliminary & Tentative Sewer – 3 EDCU's**

**PRELIMINARY AND TENTATIVE SEWER APPLICATION
RECOMMEND APPROVAL**

APPLICATION NUMBER: S15-515

DATE: October 16, 2015

APPLICANT: Amboy Bank

DEVELOPMENT NAME: Amboy Bank – Matawan Road

TYPE: COMMERCIAL

DRAINAGE BASIN: Raritan Bay

BLOCK/LOT: 3230/2.11 (1.1 Acres)

NO. OF UNITS: 3 EDCU'S

LOCATION:

On the west side of Matawan Road (a/k/a Laurence Harbor Road) just south of the Garden State Parkway.

DESCRIPTION:

Construction of approximately 340 LF of four-inch (4") sewer lateral, tying into an existing gravity sewer in Matawan Road, to service a proposed 9,000 SF bank/office.

COMMENTS:

1. Balance of Tentative Review fees are due with the Final Sewer Application submittal.
2. Township Final Planning Board Approval was granted on May 5, 2015.
3. Based on the number of additional units that this applicant would add to the sewerage collection system, it was determined that the gravity sewer in Matawan Road did not require a capacity study.
4. There are no existing residential dwellings in the area to be provided with municipal sewer service.
5. Applicant has acknowledged that all proposed sewer lines will remain privately owned and maintained by the Applicant.
6. A written private utility maintenance plan, shall be submitted for review which includes periodic sewer cleaning, in accordance with the Authority's Rules and Regulations.
7. The Applicant shall provide proof of title within ten (10) days after the closing that shows ownership of the property.

8. Provide a list of outside agency permits required for this project including County Road Opening Permit. It appears that the work under this application will require a NJDEP Treatment Works Approval.

9. Applicant to submit NJDEP Treatment Works Application package for processing by our office.

10. Drawings to be revised as per marked-up drawing set and as follows:

A. Indicate water and sewer application numbers on all drawing sheets.

B. Indicate a minimum of twelve inch (12") clearance between sanitary sewer and storm sewer lines at all crossings or provide encasements.

C. Indicate four-inch (4") sewer lateral as schedule 40 PVC.

D. Show sewer construction details in accordance with Authority's Standard Details and on a separate drawing sheet from other details.

E. Add note that states that, "The Contractor must comply with all State and Federal Confined Space Rules".

F. Add note which states that, "There shall be no prohibited wastes discharged into the sanitary sewer system including discharge from any HVAC system".

11. Submission deadlines for a Final Sewer Application package are as follows:

- A. October 26, 2015
- B. November 25, 2015
- C. December 30, 2015

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

13. Recommend Preliminary and Tentative Final Minor Sewer Approval subject to the following four (4) conditions:

CONDITIONS:

1. Applicant shall pay all applicable fees.
2. All comments from this Engineer's Report dated October 16, 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 Preliminary and Tentative Sewer Approval shall expire one (1) year from the date of the resolution.

A motion to approve Amboy Bank-Matawan Road, S15-515, Preliminary & Tentative Sewer as recommended was made by Mr. Haney and seconded by Mr. Greene.

The roll call was as follows:

AYES: Greenberg, Greene, Cahill, Carlock, Haney

NAYS: None

ABSENT: Weber

NO PARTICIPATION: Testino

5 Ayes 0 Nays 1 Absent 1 No Participation

Engineering Reports: Michael Roy, P.E.

1. Sewer Division SCADA System – Bond Release & Acceptance of Work

Mr. Roy reported that the Sewer Division SCADA System project has been completed. The work included the construction of a computerized supervisory control and data acquisition system for the entire sewage collection system that included monitoring by means of radio frequency and cellular signals of thirty-five (35) sewage pump stations through the Township.

He also reported that R3M Engineering performed the Construction Management on this project and has recommended via their letter dated October 7, 2015, Final Acceptance of the work and release of the Contractor's Performance Bond.

Mr. Roy also recommends that this project be accepted as complete, and final payment issued to the Contractor, MBE Mark III, Inc., conditioned upon the submission of a two (2) year Maintenance Bond in the amount of ten percent (10%) of the original contract price. The maintenance bond submitted by the Contractor will be subject to approval by the Authority's General Counsel.

A motion to approve Sewer Division SCADA System – Bond Release & Acceptance of Work as recommended was made by Mr. Greene and seconded by Mr. Testino.

The roll call was as follows:

AYES: Greenberg, Greene, Testino, Cahill, Haney

NAYS: None

ABSENT: Weber

5 Ayes 0 Nays 1 Absent

Financial Report: Michelle Smith, Comptroller

Mrs. Smith stated that the tax sale list was sent to the Township of Old Bridge for inclusion in their 2015 Tax Sale scheduled for December 16, 2015. The amount of this year's tax sale is \$1,133,091.00.

Mrs. Smith presented for the Commissioners' review the Revenue and Expense Schedules for the four months ended September 30, 2015 and the projected numbers through Year End May 31, 2016. Currently, revenues are projected to be slightly under budget by approximately \$544,000 (1.6%) for the year. Due to a lag in billing, Mrs. Smith expects the shortage of revenues to diminish over the next two months as all of the summer usage is billed. Expenses are projected to be under budget by approximately \$2,037,000 (6.1%) for the year.

Mr. Testino asked for a comparison of this year's tax sale to prior years.

Mrs. Smith stated that the amount is slightly higher than last year, which was under \$1 million.

Mr. Roy added that the bills for this year might be higher because of a dry weather. As an example, Cheesequake Farms used much more water this year than last.

Mr. Testino inquired how this year compares to a five-year average.

Mrs. Smith stated that this tax sale includes balances up to May 31, 2015.

Mr. Greene asked what the consequences would be for someone who has paid their balance between May 31, 2015 and December, 2015.

Mrs. Smith stated that those residents' names would be removed from the list. Residents may pay at the Township up and until the date of the tax sale. Balances may be paid at the office of the Authority until October 1, 2015.

Mr. Greene asked if most of the balances are paid at the tax sale.

Mrs. Smith responded that most balances are purchased.

Bills & Claims:

A motion to approve Bills & Claims in the amount of \$2,276,930.52 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:

James Cleary, Esq.

Employee Contract

Mr. Cleary stated that Mr. Florek will be working at the direction of Executive Director Donatelli and Michele Smith, Comptroller. Although Mr. Florek will not be receiving benefits from the Authority, he will be entitled to attend three educational conferences per year. His salary has been set at \$15,000 per year, payable monthly for one hundred twenty hours per year of service.

Brunetti Litigation

To be discussed in Executive Session.

Old Business: Laurence Harbor Bulkhead
Perrine Road 10 MG Water Storage Tank Rehabilitation
Central Park Sewer Pipe Relining

Mr. Roy offered the Commissioners a detailed video presentation of the progress of the Laurence Harbor Bulkhead project; the Rehabilitation of the Perrine Road 10 MG Water Storage Tank project; and the Central Park Sewer Relining project.

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

Executive Session: A motion to go into Executive Session at 8:13 p.m. was made Mr. Haney and seconded by Mr. Testino.

The motion was approved by an ALL AYES vote.

**The Regular Meeting resumed at 8:26 p.m.
During Executive Session the following items were discussed:**

1. Brunetti Oaks at Glenwood – Litigation

Adjournment: A motion to adjourn at 8:27 p.m. was made by Mr. Testino and seconded by Dr. Greenberg.

The motion was approved by an ALL AYES vote.

Respectfully submitted:



Edward Testino, Secretary

