

**OLD BRIDGE MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
March 25, 2010**

Call to Order: The Regular Meeting of March 25, 2010 was called to order at 12:28 p.m. with the Pledge of Allegiance by Chairman Smolney.

Announcement by Chairman: Chairman Smolney 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:
Nicholas Smolney, Chairman
Edward Testino, Vice-Chairman
Thomas Galante, Secretary
Kiran Desai, Treasurer
Rocco Donatelli, Commissioner
Reginald Butler, 1st Alternate – Assistant Secretary
Richard Greene, 2nd Alternate – Assistant Treasurer

Absent:
None

Also present:
Guy Donatelli, Acting Executive Director
Michael Roy, P.E.
Stephen A. Florek II, Comptroller
Louis E. Granata, Esq.

Executive Director's Report: Guy Donatelli, Acting Executive Director

Mr. Guy Donatelli announced that Joseph Patton, an employee of thirty years, recently passed away.

Moment of Silence

Mr. Smolney requested a moment of silence in memory of Joseph Patton.

Boil Water Advisory.

Mr. Guy Donatelli stated that the recent “boil water advisory” was issued by the DEP due to the recent storm that flooded Middlesex Water Company’s Treatment Plant. Testing revealed that no

contamination escaped their plant resulting in none being received in the Old Bridge water system. This order was precautionary and was lifted in twenty-four hours.

Mr. Desai commended Mr. Guy Donatelli for coordinating the water advisory.

Mr. Testino stated that there was dissatisfaction with the reverse 911 system. He inquired if there were other means employed to disseminate this information.

Mr. Guy Donatelli responded that the alert was given to News 12 and that a press release was given to the newspapers.

Mr. Roy stated that Mr. Guy Donatelli, concerned for children and those with compromised immune systems, contacted Dominic Ciccio, the emergency management coordinator, who contacted Dr. Bosco to alert the Board of Education and Mr. Ciccio notified all the nursing homes and the one hospital in the Township. Contacting the entire Township by phone calls would have taken about twenty hours. The DEP recommends alerting through broadcast media.

Mr. Guy Donatelli stated that Mayor Phillips also assisted in alerting the residents.

Mr. Greene commended Mr. Guy Donatelli for his performance and added that he spoke with Mayor Phillips about correcting the reverse 911 system.

Mr. Desai suggested finding an alternative to the current system.

Mr. Guy Donatelli suggested developing a website for this purpose.

Mr. Guy Donatelli stated that because of the declared state of emergency the money spent may be recouped.

He added that bids would be sought for the following annual contracts: sewer field services, water supplies/materials, chemical supplies and laboratory testing of the industrial sewage.

He requested approval to dispose of a surplus vehicle.

A motion was made to approve the Executive Director's Report by Mr. Galante and seconded by Mr. Butler.

The motion was approved by an ALL AYES vote.

Disposal of surplus vehicle

A motion was made to dispose of a surplus vehicle by Mr. Desai and was seconded by Mr. Galante.

The motion was approved by an ALL AYES vote.

Chairman's Report: Nicholas R. Smolney, Chairman

Mr. Smolney proposed a rate hearing be held on Tuesday, May 4, 2010. Middlesex Water Company rate adjustment increase of 4.1% will go into effect on June 1. MCUA announced a decrease in sewer rates effective January 1 by an amount that calculated over a full year basis equates to 1.38%. He suggested a reduction of 2.76% effective July 1 for the six (6) months remaining in this calendar year.

He also proposed converting the water rate from a percentage to a flat dollar amount and considering reducing the amount of minimum purchase of 10,000 gallons. He requested a preliminary report from Messrs. Morrison and Florek on April 7. He suggested the possibility of a meeting late in April.

Mr. Desai requested a dollar amount comparison from last year to this year from both Middlesex Water Company and MCUA.

Rate Hearing

A motion was made to move the regular meeting of May 5, 2010 to May 4, 2010 at 7:00 p.m. and to approve a rate hearing on May 4, 2010 at 6:30 p.m. at a location to be determined by Mr. Smolney and seconded by Mr. Desai.

The roll call was as follows:

AYES: Desai, Donatelli, Galante, Testino, Smolney.

NAYS: None.

5 Ayes 0 Nays 0 Absent

Previous Minutes: Executive Session - September 22, 2009
Regular Meeting - October 6, 2009
Executive Session - October 6, 2009
Regular Meeting - October 21, 2009
Executive Session - October 21, 2009\

A motion was made to approve the previous minutes by Mr. Smolney and seconded by Mr. Donatelli. The motion was approved by an ALL AYES vote.

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

None

Superintendent's Report: Al Lunkenheimer, Sewer Division

A report will be given on April 7.

Superintendent's Report: John Murphy, III, Supt.
Treatment, Water Division

A report will be given on April 7.

Engineering Report: Michael Roy, P.E.

1. YMCA Bond Releases – W206-577, S206-453

Mr. Roy reported that the water and sewer construction is complete and that all water and sewer lines will be privately owned and maintained by the applicant thereby eliminating the need for a maintenance bond. Release of the bond and cash is recommended without condition.

A motion was made to approve a bond release as recommended for the YMCA W206-577, S206-453 by Mr. Galante and seconded by Mr. Butler.

The roll call was as follows:

AYES: Desai, Donatelli, Galante, Testino, Smolney.

NAYS: None.

5 Ayes 0 Nays 0 Absent

2. Iresick Brook Sewer Interceptor – Authorize work to R3M

Mr. Roy stated that the sewer interceptor has failed several times causing sink holes and a disruption in the operation. R3M has prepared a proposal dated March 17, 2010, reflecting engineering services for two tasks: design the rehabilitation of a damaged portion of the trunk line, and an evaluation of the remainder of the Iresick Brook Trunk Line to determine its condition at a cost of \$24,000 for the design and \$28,000 for the evaluation. The cost of construction will be in next year’s budget.

A motion was made to authorize as recommended R3M to reline the damaged portion and to evaluate the damaged portion of Iresick Brook by Mr. Butler and seconded by Mr. Donatelli.

The roll call was as follows:

AYES: Donatelli, Galante, Butler, Greene, Smolney.

NAYS: None.

NOT PARTICIPATING IN THE VOTE: Desai, Testino.

5 Ayes 0 Nays 2 No Participation 0 Absent

Financial Report: Stephen A. Florek, II, Comptroller

***Glen Kurtz, Governmental Risk Management Associates
Mr. Eisenberg, QualCare***

Mr. Kurtz gave a brief summary of the health insurance plan renewal with the following highlights: QualCare is the claims administrator and managed care network; Rx benefit is administered by Express Scripts; reinsurance is provided by High Mark Life Insurance. The total cost (major medical, hospital, and prescription drug) for a single plan is \$741; husband/wife is \$1,424; parent child is \$1,148; and family is \$1,950 with High Mark Life Insurance presenting the best proposal at an increase of

10% over the current rates. He recommended increasing the deductible from \$40,000 to \$45,000.

Mr. Eisenberg gave an overview of the aggregate report (medical and Rx claims) as presented to the commissioners.

A motion was made to accept as recommended the health plan proposal by Mr. Donatelli and seconded by Mr. Butler.

The roll call was as follows:

AYES: Desai, Donatelli, Galante, Butler, Smolney.

NAYS: None.

NOT PARTICIPATING IN THE VOTE: Testino.

5 Ayes 0 Nays 1 No Participation 0 Absent

Reimbursement Resolution for the NJEIT Financing

A motion was made to authorize as recommended a reimbursement resolution for the Crossroads Interceptor 2010 NJEIT loan by Mr. Butler and seconded by Mr. Testino.

The roll call was as follows:

AYES: Desai, Galante, Testino, Butler, Smolney.

NAYS: None.

NOT PARTICIPATING IN THE VOTE: Donatelli.

5 Ayes 0 Nays 1 No Participation 0 Absent

NJEIT Financial Addendum

Mr. Florek stated that the financial addendum for the NJEIT Loans for the two 2010 projects has been submitted.

Government Finance Officers Association

Certification has been received from the GFOA for the sixth time.

A motion was made to accept the Financial Report by Mr. Butler and seconded by Mr. Desai.

The motion was approved by an ALL AYES vote.

Bills & Claims \$264,821.22

A motion was made to approve Bills & Claims by Mr. Desai and seconded by Mr. Butler.

AYES: Desai, Donatelli, Galante, Testino, Smolney.

NAY: None.

5 Ayes 0 Nays 0 Absent

Legal Report: Louis Granata, Esq.

Mr. Granata stated that with respect to Brunetti Oaks at Glenwood Development, Judge Ryan will decide the motions for Scarce Water Resources at 9:00 a.m. on March 26th.

Mr. Granata stated that he, along with the subcommittee, was preparing a Request for qualifications and is seeking authorization to advertise for the position of Executive Director. He is also reviewing the contract for the Executive Director.

Mr. Desai suggested publishing the request for proposals by next week with May 31th being the deadline for receipt of proposals.

A motion was made to accept the Legal Report by Mr. Desai and seconded by Mr. Testino.

The roll call vote was as follows:

AYES: Desai, Testino, Butler, Greene, Smolney.

NAYS: None.

NOT PARTICIPATING IN THE VOTE: Donatelli, Galante.

5 Ayes 0 Nays 2 No Participation 0 Absent

Old Business:

Laurence Harbor Sewer Interceptor Replacement – Status

Mr. Roy stated that over \$200,000 is being held until several manhole punch list items are completed.

Crossroads Regional Interceptor - Filed Application with NJEIT and Waterworks Road Sewer Rehabilitation – Filed Application with NJEIT

Mr. Roy recommended removing both these items from the agenda under Old Business until a later date.

Brunetti Oaks at Glenwood Development – Status

Discussed in legal report

Groundwater Diversion Rights – Status

No discussion.

Summerfield Avenue Gravity Sewer – Status

Mr. Roy stated additional soil work was authorized and a report has been received.

Mr. Samuel stated that the slope at 75 Lantana Way is in imminent danger of collapsing. One option to fix it is to install vertical sheet piling at a cost of \$150,000 for a one hundred foot backyard line. The other option would be a method of structural fills which would replace the retaining wall resulting in a permanent restoration. This would inhibit access to other properties on the road. There would be fills for all seven residences at a cost of \$100,000 total. Nothing needs to be done now north of 75 Lantana Way property because no imminent danger exists, and also because the large quantity of underground organic materials makes the design of solutions much more complicated.

Mr. Roy added that large cracks are evident at 75 Lantana Way. Installing fill would alleviate the dangerous situation to all homes involved. The manholes will be raised for access, and a determination will be made as to whether there will be a pump station or reline the sewer and install a retaining wall at Rowan Way. The goal is to stabilize the area under the direction of R3M, with our emergency contractor, Arbe Landscaping. The cost of the fill material is estimated at \$30,000, and the labor cost will be in accordance with our existing contract with Arbe Landscaping.

Mr. Testino voiced his concern about circumventing the procurement process. He asked for an opinion on non-compliance.

Mr. Samuel emphasized the critical nature of this situation. A hairline crack noticed in January is now about one and one-half inches thick and continues to grow. The house is sitting on five to eight feet of un-compacted fill.

Mr. Roy reiterated the urgency of repairs to this area, and believes there is no time to go out to bid. Arbe Landscaping is currently contracted for emergency situations.

Mr. Samuel, referring to the northern end of the pipeline, stated that there was no urgency in this area. Although others could lose a backyard, the house itself at 75 Lantana Way could be lost.

Mr. Granata stated that based on what is being told, and subject to the supporting documentation, it appears that this work should be done on an emergent basis.

A motion was made to authorize as recommended the use of the unit price contract to mitigate the circumstances which are of a critical nature because of the emergent conditions present today under the direction of R3M by Mr. Smolney and seconded by Mr. Galante.

The roll call was as follows:

AYES: Desai, Donatelli, Galante, Testino, Smolney.

NAYS: None.

5 Ayes 0 Nays 0 Absent

Organizational Chart

No Discussion.

New Business:

Mr. Desai took umbrage to a member of the public specifically naming members of the board who are enrolled in the benefits package without naming others who also participate.

Mr. Desai reminded the Commissioners that the American Water Works Association Convention will take place on April 13, 14. He suggested that employees who will be attending classes be permitted to reserve a room for just two days instead of the usual four, and that expenses be provided for employees or Commissioners only and not their spouses.

Adjournment: A motion was made at 1:35 p.m. to adjourn the meeting by Mr. Testino and seconded by Mr. Galante.

The motion was approved by an ALL AYES vote.

Respectfully submitted:

Thomas Galante, Secretary