

**OLD BRIDGE MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
May 4, 2010**

Call to Order: The Regular Meeting of May 4, 2010 was called to order at 7:07 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 (arrived at 8:08 p.m.)
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.
Louis E. Granata, Esq.

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

Mr. Guy Donatelli announced the recent retirement of John Murphy after 37 years of service, and that he would be assuming Mr. Murphy's position as licensed operator of record. Mr. Murphy will be returning to the Authority after thirty days as a consultant at an annual maximum salary of \$15,000.

Mr. Guy Donatelli announced that five employees had successfully completed the course and passed the test to become Class IV operators.

His recommendation was to also hire Harry Penley as a stand-by operator of record at a maximum annual salary of \$15,000.

The Water Division has passed its compliance inspection report in all categories.

The Executive Director's report is included in the packets.

The Consumer Confidence Report is being prepared by Morgan Printing Service who presented the lowest bid in the amount of \$3,550.00.

The telecommunication systems are a four-part project of which Phase III is beginning. Hunter Technologies was awarded the bid.

A final version of the Organizational Chart was included in the Commissioner's packages.

A motion was made to approve the Report of the Executive Director by Mr. Butler and seconded by Mr. Desai.

The motion was approved by an ALL AYES vote.

Employment of Harry Penley

A motion was made to authorize documents to be prepared in connection with the scope of work to be performed by Mr. Penley as a part time employee by Mr. Butler and seconded by Mr. Smolney.

The roll call was as follows:

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

NAYS: None.

ABSENT: Testino.

5 Ayes 0 Nays 1 Absent

Chairman's Report: Nicolas R. Smolney

Waived

Previous Minutes: None

Engineering Reports: Michael Roy, P.E.

**White Oak Lane USA /Associated Fire Protection for
White Oak Lane USA, LLC
1. W10-613, Minor Water – 1 EDCU**

Mr. Roy reported that fire suppression systems are mandated. This application relates to 135 White Oak Lane. The application is complete and all technical requirements sufficient for Minor Water Approval are satisfied. His recommendation is to grant approval.

A motion was made to grant approval as recommended to White Oak Lane USA Associated Fire Protection for White Oak Lane USA, LLC by Mr. Donatelli and seconded by Mr. Butler.

The roll call was as follows:

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

NAYS: None.

ABSENT: Testino.

5 Ayes 0 Nays 1 Absent

Sewer
Superintendent's
Report:

Al Lunkenheimer, Superintendent Sewer Division

Report included in packet.

A motion was made to approve the Sewer Superintendent's report by Mr. Desai and seconded by Mr. Butler.

The motion was approved by an ALL AYES vote.

Water
Superintendent's
Report:

Guy Donatelli, Superintendent Water Division

Report included in packet.

A motion was made to approve the Water Superintendent's report by Mr. Butler and seconded by Mr. Galante.

The motion was approved by an ALL AYES vote.

Engineering Reports: Michael Roy, P.E.

1. Annual Contracts for Goods & Services – One Year Contract Extensions

A. Water Meters – Contract No. W08-134 Extension to Water Works Supply

Mr. Roy explained that the Contractor agreed to a one-year extension. Last year the contract was extended at the current index rate. The index rate this year is zero percent, i.e., the contract would be extended without a cost increase for the water meters.

A motion to approve as recommended the one-year extension of Contract No. W08-134 to Water Works Supply was made by Mr. Donatelli and seconded by Mr. Butler.

The roll call was as follows:

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

NAYS: None.

ABSENT: Testino.

5 Ayes 0 Nays 1 Absent

B. Water Chemical Supplies – Contract No. W09-139 Extension of Item 1, Bagged Lime to Coyne Chemical

C. Water Chemical Supplies – Contract No. W09-139 Extension of Item 2, Bulk Lime to Greer Lime Company

D. Water Chemical Supplies – Contract No. W09-139 Extension of Item 3 & 4, Clarifier Iron Removal Chemical to Delta Chemical

E. Water Chemical supplies – Contract No. W09-139 Extension of Item 5 & 6, Sodium Hypochlorite to Miracle Chemical Company

Mr. Roy explained the foregoing contracts listed under agenda items B, C, D and E are a one-year contract extension with no cost increase. This is the first extension for the chemical contracts.

A motion to approve as recommended the one-year extension at a zero percent increase for Contracts W09-139 was made by Mr. Butler and seconded by Mr. Galante.

The roll call was as follows:

AYES: Desai, Donatelli, Galante, Butler, Smolney

NAYS: None.

ABSENT: Testino.

5 Ayes 0 Nays 1 Absent

F. Laboratory Testing of Drinking Water – Contract No. W09-140 to Garden State Labs

Mr. Roy stated that this is the first one-year extension to Garden State Labs for the testing of drinking water at the index rate of zero percent.

A motion to approve as recommended a one-year extension of Contract No. W09-140 to Garden State Labs for laboratory testing of drinking water was made by Mr. Desai and seconded by Mr. Butler.

The roll call vote was as follows:

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

NAYS: None.

ABSENT: Testino

5 Ayes 0 Nays 1 Absent

2. Sewer Field Services, Contract S10-147, Award Contract

Mr. Roy stated that there were no additional extensions on this contract; therefore, bids were solicited resulting in four bidders with Arbe Landscaping producing the lowest bid (down 12% in cost from last year). His recommendation was to award the contract to Arbe Landscaping.

A motion to award as recommended Contract S10-147, Sewer Field Services, to Arbe Landscaping was made by Mr. Butler and seconded by Mr. Smolney.

The roll call vote was as follows:

AYES: Desai, Butler, Greene, Smolney.

NAYS: None.

NO PARTICIPATION: Galante.

ABSENT: Donatelli, Testino.

4 Ayes 0 Nays 1 No Participation 2 Absent

3. Lab Testing of Industrial Sewage, Contract No. S10-148, Award Contract

Mr. Roy stated that because there were no extensions to this contract, and the amount is below the threshold, quotes were solicited. The lowest quote was received from Aqua Pro Tech Laboratories at almost 18% lower than this year's cost. His recommendation was to award the contract to Aqua Pro Tech Laboratories.

Mr. Smolney stated that since these are budgeted services, and the amount of the quote is below the threshold and no public bids were solicited, the award of the bid should be awarded by the Executive Director.

4. Water Supply Materials, Contract No. W10-149, Award Contract Sections

Mr. Roy said that although there were provisions for contract extensions in the Sections of this Contract. The current vendors were not willing to extend the prices due to the rising cost of iron and other metals. Therefore, new proposals were solicited by public bids.

Section 1 – Copper Tubing – NOT AWARDED

Based on the same quantities from last year's bids, the price for copper is up from about \$12,000 to \$20,000. Because of our existing supply of copper tube stock purchased on the open market, no contract was awarded last year. His recommendation is to also not award this section this year. Atlantic Plumbing was the low bidder.

Section 2 – Hydrants and Accessories

Mr. Roy stated that Section 2 relates to fire hydrants. There was one bidder, Water Works Supply, whose prices have increased 2% from last year. His recommendation is to award the contract to Water Works Supply.

Section 3 – Service Materials

Mr. Roy stated that Section 3 relates to service materials. The low bidder submitted products not conforming to the specifications. The prices from the second lowest bidder, Water Works Supply, who is also the current vendor, increased by less than one percent. His recommendation is to award Section 3 to Water Works Supply.

Section 4 – Bolted Couplings

Mr. Roy stated that the lowest bidder's products did not conform to the specifications. The second lowest bidder, Water Works Supply, who is also the current vendor, submitted prices that were six percent less than last year. His recommendation is to award Section 4 to Water Works Supply.

Section 5 – Piping and Valves

Mr. Roy explained that this section is for piping and valves for which there were three bidders, with Water Works Supply submitting the lowest prices which were sixteen percent higher than last year. His recommendation is to award Section 5 to Water Works Supply.

Section 6 – Tapping Sleeves

Mr. Roy stated that Raritan Supply Company was the low bidder for this section and submitted prices that were thirteen percent higher than last year. His recommendation is to award this section to Raritan Supply Company.

A motion to award as recommended, Contract No W10-149, Sections 2, 3, 4 and 5 to Waterworks Supply, and to award as recommended, Contract No. W10-149, Section 6 to Raritan Supply Company was made by Mr. Butler and seconded by Mr. Smolney.

The roll call was as follows:

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

NAYS: None.

ABSENT: Donatelli, Testino.

5 Ayes 0 Nays 2 Absent

**5. Redevelop Well No. 4, Contract No. W10-151
Award Contract**

Mr. Roy stated that Well No. 4 is a located at the Browntown Plant on Throckmorton Lane. This is a routine maintenance contract performed every five to eight years. There were two bidders, both of whom are well qualified. His recommendation is to award the contract to A.C. Schultes, Inc. in the amount of \$85,100.00.

A motion to award as recommended Contract No W10-151 to A.C. Schultes, Inc. in the amount of \$85,100.00 was made by Mr. Butler and seconded by Mr. Galante.

The roll call vote was as follows:

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

NAYS: None.

ABSENT: Donatelli, Testino.

5 Ayes 0 Nays 2 Absent

**6. Oakwoode at Old Bridge, W84-228A, S84-120A
Release Performance Bonds**

Mr. Roy stated that the testing and installation of the water and sewer construction is complete and satisfactory. As-builts were provided in both mylar and electronic form as required; all water

meters are installed; easements have been properly recorded; final paving is completed; and confined space equipment has been received.

His recommendation is for the release of the water bond conditioned upon the posting of a maintenance bond (15%) with a sufficient escrow balance to cover the two-year maintenance period in the amount of \$6,000 and the release of the sewer performance bonds conditioned upon the posting of a maintenance bond (15%); jet-cleaning the lines and escrow for the maintenance period.

A motion to conditionally release the performance bonds as recommended for Oakwoode at Old Bridge, W84-228A, S84 - 120A was made by Mr. Desai and seconded by Mr. Butler.

The roll call was as follows:

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

NAYS: None.

ABSENT: Donatelli, Testino.

5 Ayes 0 Nays 2 Absent

**7. Matchaponix Hills, W95-414, S95-308,
Release Performance Bonds**

Mr. Roy recommended the release of the water and sewer performance bonds conditioned upon the zeroing out of the escrow accounts. A maintenance bond is not required.

A motion to release the performance bonds as recommended for Matchaponix Hills, W95-414; S95-308 was made by Mr. Butler and seconded by Mr. Galante.

The roll call vote was as follows:

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

NAYS: None.

ABSENT: Donatelli, Testino.

5 Ayes 0 Nays 2 Absent

**8. Presidential Estates, W95-415, S95-309,
Release Performance Bonds**

Mr. Roy recommended the release of the water and sewer performance bonds conditioned upon the zeroing out of the escrow accounts. A maintenance bond is not required.

A motion to release the performance bonds as recommended for Presidential Estates, W95-415, S95-309, was made by Mr. Butler and seconded by Mr. Donatelli.

The roll call vote was as follows:

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

NAYS: None.

ABSENT: Testino.

5 Ayes 0 Nays 1 Absent

**9. Aquifer Storage & Recovery (ASR) Proposal
from CH2M Hill - TABLED**

Mr. Roy stated that this is a study to determine the feasibility of a facility to store finished water underground as designed by one of our Special Project Engineers, CH2M Hill, in the Old Bridge Service Area.

Mr. Smolney stated that purchased water from Middlesex could not be used at the same time diversionary rights were used, but the water would still have to be paid for. In that situation the water would be lost unless it was stored.

Mr. Roy added that Phase I of the study would result in a conceptual design of the facility along with cost estimates. The elements of the testing program would be Phase II. A well would have to be constructed in order to do an aquifer testing. Water would be able to be stored for peak summer use which is an issue that came up during the review of the Brunetti Oaks at Glenwood Development.

A motion to table the Acquifer Storage & Recovery (ASR) proposal from CH2M Hill was made by Mr. Galante and was seconded by Mr. Butler.

The motion was approved by an ALL AYES vote.

Financial Report: Stephen A. Florek II, Comptroller

Resolution adopting the 2010/2011 Annual Budget

A motion to approve as recommended the adoption of the 2010/2011 Annual Budget was made by Mr. Donatelli and seconded by Mr. Butler.

The roll call vote was as follows:

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

NAYS: None.

ABSENT: Testino.

5 Ayes 0 Nays 1 Absent

Resolution authorizing the application to the Local Finance Board regarding the 2010 NJEIT Financing Program

A motion to approve as recommended the submission of an application to the Local Finance Board regarding the 2010 NJEIT Financing Program was made by Mr. Donatelli and seconded by Mr. Butler.

The roll call was as follows:

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

NAYS: None.

ABSENT: Testino.

5 Ayes 0 Nays 1 Absent

Bills & Claims: \$1,492,566.62

A motion to approve bills & claims was made by Mr. Desai and seconded by Mr. Donatelli.

The roll call was as follows:

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

NAYS: None.

ABSENT: Testino.

5 Ayes 0 Nays 1 Absent

Legal Report: Louis Granata, Esq.

Mr. Granata stated that his report on pending litigation and the review of a charter study memorandum would be given in Executive Session.

Old Business:

1. Laurence Harbor Sewer Interceptor Replacement –Status
Mr. Samuel stated that the Contractor will be excavating a leaky manhole.

2. Brunetti Oaks at Glenwood Development – Status
To be discussed in Executive Session

3. Groundwater Diversion Rights – Status
Mr. Smolney stated that he would be meeting with Malcolm Pirnie and Barbara Koonz, and there would be a presentation at the next meeting involving a legal and engineering discussion with the DEP as to groundwater diversion.

4. Summerfield Area Gravity Sewer – Status
Mr. Roy stated that the emergency work has been completed. Mr. Samuel stated that the first of more than half of those affected areas have permanent slope stabilization. A report will be presented with respect to the remaining areas to be evaluated.

5. Organizational Chart
Included in the packets

New Business: Mr. Desai stated that a policy should be instituted regarding attendance at the conferences in Atlantic City. Mr. Donatelli and Mr. Greene defended the amount of time spent at the conventions in Atlantic City as it relates to attendance at various seminars.

Mr. Smolney elaborated on the virtues of attending conferences in Atlantic City.

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

Agreement authorizing the Executive Director to sign a Contract with Middlesex County regarding the movement of Fire Hydrants with a County guide rail project.

A motion to approve the contract with the County of Middlesex regarding the movement of fire hydrants with a County guide rail project was made by Mr. Butler and seconded by Mr. Galante.

The roll call vote was as follows:

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

NAYS: None.

NO PARTICIPATION: Donatelli, Testino.

ABSENT: None.

5 Ayes 0 Nays 2 No Participation 0 Absent

Executive Session: A motion was made to go into Executive Session at 7:54 p.m. by Mr. Butler and seconded by Mr. Galante.

The motion was approved by an ALL AYES vote.

Meeting Reconvened at 8:29 p.m.

During Executive Session Mr. Granata discussed Brunetti litigation and aspects of a Charter Study.

Adjournment: A motion was made at 8:30 p.m. to adjourn the meeting by Mr. Butler and seconded by Mr. Galante.

The motion was approved by an ALL AYES vote.

Respectfully Submitted:

Thomas Galante, Secretary