OLD BRIDGE MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
July 15, 2020

Call to Order: The Regular Meeting of July 15, 2020 was called to order at 7:00 p.m. by Chairman Weber.

Announcement by Chairman: Chairman Weber announced that this meeting is conformance with the guidelines from the State regarding the Coronavirus. It 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.

N O T I C E
July 6, 2020

TAKE NOTICE that the Board of Commissioners of the Old Bridge Municipal Utilities Authority (OBMUA) shall meet on **Wednesday July 15th, 2020** at 7:00 P M. for a Public Business Meeting. As a result of the National and State Declarations of Emergency, members of the public are requested to participate remotely. Call 1-646-876-9923; webinar ID: 825 5534 2861 # to participate remotely via your phone, which will also be posted on Facebook, twitter and on the OBMUA website at www.obmua.com for participation through your computer.

The video link is: https://us02web.zoom.us/j/83726290274 which will also be posted on Facebook, Twitter and the OBMUA website for participation.

This meeting will be hosted at the OBMUA office located at 15 Throckmorton Lane via Zoom webinar consistent due to the current NJ guidelines discouraging large public gatherings. Subject to change at such meeting, the agenda and reports are available on the OBMUA website at www.obmua.com on the popup screen on the right border of the website. Formal action is expected to be taken on the items listed on the agenda.

The agenda includes one opportunity for public comment and all remote participants will be able to make public comment. Initially, attendees will be muted, but will be unmuted at the time of public comment. If you are not going to speak during public comment, please mute your phone/device, so background noises do not disturb the meeting.

Pledge of Allegiance: Chairman Weber asked that everyone stand for the Pledge of Allegiance.

Roll Call: Present:
Frank Weber, Chairman
Anita Greenberg, Treasurer
John E. Murphy III, Secretary
Thomas Galante, Commissioner
Bruce Walker, Commissioner

Absent:

Arthur Carullo, Commissioner

Also Present:

Guy Donatelli, Executive Director
Michelle Smith, Comptroller
Michael Roy, P.E.
Mitchell B. Jacobs, Esq.
Joe Korman, PC Visions

Executive Director's Report:

Mr. Donatelli said does anybody have any questions on his Monthly Water Distribution Report, Drinking Water Analysis, Monthly Distribution System Report or the Maintenance/Meter Report? He said if not, he will continue with his report.

Governor Murphy signed into Law Bill A4126

Governor Murphy signed into Law Bill A4126 that permits authorities to waive interest and lien enforcement at their discretion on certain delinquent water and sewer utility payments due to the COVID 19 crisis. Mr. Donatelli said since this new law will directly affect the Authority, the legal ramifications were reviewed with our attorney.

Mr. Donatelli said he has no recommendations on this tonight. He said Attorney Jacobs will review this and will make recommendations at the next meeting.

Attorney Jacobs said he needs clarification on whether we will be able to waive interest on a case by case basis or be told forgiveness to everyone. Attorney Jacobs said he will report on this at the next meeting.

Succession Planning of Authority Personnel

Mr. Donatelli said Michelle Smith recommended to me to promote Colleen Mulvey to the vacant Accounts Payable/Billing Supervisor position as a result of the recent retirement of Joyce Lauer. Colleen has been trained in this position and has been doing an exceptional job. The annual base salary for this position is $69,000 which would be an increase of $13,745 from her current annual base salary of $55,255. If Colleen had instead stayed in the union position that she currently holds, within 2 years, she would be making $63,991 (step 6) which would then only be a $5,009 pay increase for this promotion from her current pay level. She would also move out of the union with this promotion.

Mr. Donatelli said since this promotion leaves a vacant clerical position, Michelle Smith recommends filling this entry-level union position with a new hire. She has interviewed a potential candidate for this vacant position, and she recommends that she be hired. She has previous office and customer service experience, and Michelle believes that she would be a good fit for this position.

Mr. Donatelli said with regard to the office payroll budget, considering the increase of $13,745 for Colleen Mulvey, and the new hire payroll increase of $46,300, and a payroll decrease of $78,296 from the retirement of Joyce Lauer, there will be a net savings in the payroll of $18,251.

Mr. Donatelli also said that with the planned retirement of the Engineering Department's Administrative Secretary, Mike Roy recommended to me to hire an entry level secretary at the Engineering Office at Throckmorton Lane. This new hire would train for the open position of Administrative Secretary to the Engineer upon the retirement of the current one in 2021. Mike has interviewed several candidates for this position and has recommended to me to hire an individual to fill an entry level secretary position at Throckmorton Lane. She currently works as a health care professional with work experience that has involved scheduling, preparation of reports and managing supplies. She has computer skills in Microsoft Word, Excel and Outlook programs. This salary was included in the 2020/2021 Budget.

Mr. Donatelli also said that Mr. Roy gave this individual a typing test. He said that she would be Mike Roy's confidential secretary and not be in the Union.

Mr. Donatelli said all positions have been budgeted for.

Chairman Weber said succession planning is the best way. He said that Colleen Mulvey has been a very good worker.

A motion to promote Colleen Mulvey to the vacant position of Accounts Payable/Billing Supervisor was made by Mr. Walker and seconded by Mr. Murphy.

There was no discussion.

The roll call vote was as follows:

Ayes:	Greenberg, Murphy, Galante, Walker, Weber
Nays:	None

Absent:	Carullo	
5 Ayes	0 Nays	1 Absent

A motion to hire Maureen Piccillo to fill an entry level non-union secretarial position for the Engineering Department was made by Dr. Greenberg and seconded by Mr. Galante.

There was no discussion.

The roll call vote was as follows:

Ayes:	Greenberg, Murphy, Galante, Walker, Weber	
Nays:	None	
Absent:	Carullo	
5 Ayes	0 Nays	1 Absent

A motion to hire Corleigh Shortledge for an entry level union clerical position in the Administrative Office at a salary of $46,300 was made by Mr. Walker and seconded by Chairman Weber.

There was no discussion.

The roll call vote was as follows:

Ayes:	Greenberg, Murphy, Galante, Walker, Weber	
Nays:	None	
Absent:	Carullo	
5 Ayes	0 Nays	1 Absent

A motion to approve the Executive Director's Report was made by Chairman Weber. There was no second.

There was a voice vote of all ayes by the Commissioners.

5 Ayes	0 Nays	1 Absent

Chairman's Report: Chairman Weber said he gave his announcement at the beginning of the meeting.

Previous Minutes:

Regular Meeting – 5/20/2020

A motion to approve the Minutes of the Regular Meeting of May 20, 2020 was made by Dr. Greenberg. It was seconded by Chairman Weber.

There was no discussion.

The roll call vote was as follows:

Ayes:	Greenberg, Murphy, Galante, Walker, Weber	
Nays:	None	
Absent:	Carullo	
5 Ayes	0 Nays	1 Absent

Emergency Meeting – 5/28/2020

A motion to approve the Minutes of the Emergency Meeting of May 28, 2020 was made by Dr. Greenberg and seconded by Mr. Galante.

There was no discussion.

The roll call vote was as follows:

Ayes:	Greenberg, Murphy, Galante, Walker, Weber	
Nays:	None	
Absent:	Carullo	
5 Ayes	0 Nays	1 Absent

Superintendent's Report: Charles Winkler, Superintendent, Sewer Division

Mr. Winkler was not present on the Zoom Meeting.

Chairman Weber asked if anyone had questions on the Superintendent's Report?

There were none.

A motion to approve Mr. Winkler's Superintendent' Report was made by Dr. Greenberg and seconded by Mr. Galante.

There was a voice vote of all ayes by the Commissioners.

5 Ayes 0 Nays 1 Absent

Engineering Report: Michael Roy, P.E.

DEVELOPER'S APPLICATIONS FOR APPROVAL

NONE

OTHER ENGINEERING REPORTS

1. **Sewer Laboratory Industrial Testing – Contract No. S20-207, Award Contract**
Mr. Roy said that sealed bids were opened and read aloud on June 30, 2020, at 2:00 P.M. at the Authority's office for this annual contract.

He said the lowest bidder, New Jersey Analytical Laboratories, has submitted prices that are forty-five-point six percent (45.6%) lower than the unit price in last year's contract. The lowest bidder has not taken any exceptions on its bid proposal. New Jersey Analytical Laboratories is a State Certified Laboratory.

Mr. Roy said the services under this contract are for the testing of the sewage strength from the Authority's three (3) industrial customers for the purpose of billing, and the cost for the lab testing is added to each industry's bill. The lab also independently tests the Authority's sewage strength at various locations to verify our billings from MCUA.

Mr. Roy said that he recommends awarding this contract to the lowest responsible bidder, New Jersey Analytical Laboratories, LLC, Ewing, New Jersey, for the unit prices bid.

A motion to award the Sewer Laboratory Industrial Testing –Contract No. S20-207 to the lowest bidder, New Jersey Analytical Laboratories at prices that are 45.6% lower than the unit price in last year's contract was made by Dr. Greenberg and seconded by Chairman Murphy.

There was no discussion.

The roll call vote was as follows:

Ayes:	Greenberg, Murphy, Galante, Walker, Weber	
Nays:	None	
Absent:	Carullo	
5 Ayes	0 Nays	1 Absent

2. **Laurence Harbor Water System Improvements, Phase I, Award Contract**

Mr. Roy said that on Thursday, July 9, 2020 five (5) bids were received for the above referenced project as indicated on CME's Summary of Bids. CME reviewed the copies of the three apparent lowest bids that were provided to our office.

Mr. Roy said the apparent low bid was submitted by Lucas Construction Group of Red Bank, NJ with a bid of $1,898,898.00, which is $522,213.00 under the price bid of the second lowest bidder. The Engineer's opinion of probable cost for the project is $2,023,017.00, and the apparent low bid is $124,119.00 below that Engineer's estimate.

The bid submitted by Lucas Construction Group contained an incomplete Certification by Bidder Regarding Equal Employment Opportunity (page C-13). After the submission of the bids, Lucas did provide the attached email detailing the reports that were filed and with what agency in accordance with the requirements of Item #2 and confirming a "yes" answer for Item #3.

Regarding the experience of the apparent low bidder, CME's office has worked with the Contractor before on various municipal and utilities projects. The Contractor has also worked on several projects with Old Bridge Township. Based upon the work that Lucas Construction Group has performed in the past, it is our opinion that the Contractor can perform the work required by this Contract.

Accordingly, subject to receipt of written approval from the New Jersey Environmental Infrastructure Trust, certification of funds by the Authority's comptroller and review and approval by the Authority Attorney, including verification that the bonding and surety company is licensed to do business in the State of New Jersey and named on the current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" by the U.S. Treasury Department, we recommend award of the project within 60 days of the receipt of bids to Lucas Construction

Group for Items 1 through 75 in the Contract Documents, inclusive, for a total price of $1,898,898.00.

Mr. Roy said that the original bid documents submitted by the five (5) bidders have been forwarded to the Authority Attorney for his review.

Dr. Greenberg said have other authorities used them without any problems?

Mr. Roy said yes, they have been in business for twenty years, and they are a good contractor. Mr. Roy said that apparently, they wanted this project because they submitted a very competitive bid.

Mr. Roy said he recommends awarding the contract for the Laurence Harbor Water System Improvements, Phase 1, to Lucas Construction Group in the amount of $1,898,898.00.

Mr. Roy said CME Associate has found them capable and recommends awarding the contract to Lucas Construction Group.

Chairman Weber asked where the money was coming from for this project?

Mr. Roy said from a 20-year loan from the NJ I-Bank which will be paid by the ratepayers.

Chairman Weber said that there should be some signage showing these improvements to upgrade the Laurence Harbor Water System, which is one of the oldest areas.

Mr. Roy said there will be signs.

Attorney Jacobs said that a motion is needed to award the contract for the Laurence Harbor Water System Improvements, Phase 1, to Lucas Construction Group at a bid price of $1,898,898.00.

Attorney Jacobs said that the bid was missing a report on the EEO/Affirmative Action Policy Statement. He said Attorney Cleary reviewed this, and his opinion was that this was insignificant.

A motion to award the contract for the Laurence Harbor Water System Improvements, Phase 1, was made by Chairman Weber and seconded by Mr. Walker.

There was no discussion.

The roll call vote was as follows:

Ayes:	Greenberg, Murphy, Galante, Walker, Weber	
Nays:	None	
Absent:	Carullo	
5 Ayes	0 Nays	1 Absent

3. **Redevelopment of Well No. 6 and No. 11, Quantities Change Order**
Mr. Roy said that the Change Order No. 1 to Steffen Drilling, LLC for the referenced project is recommended for approval and includes the increases and reductions in cost and the reason for the changes to the Contract Documents.

Mr. Roy said that this change order consists of the additional cost due to the actual amount of acid and lime chemicals that was used during the redevelopment work on Wells No. 6 & 11 which was more than the quantities in the Contract Documents.

Mr. Roy said it also consists of the reduction in cost due to the actual quantities of pump equipment replaced in Well Nos. 6 & 11, which was less than the quantities provided for in the Contract Documents. The well cleaning in each well was not needed since both wells were instead redeveloped in accordance with the specifications. The actual number of days of redevelopment of Well No. 11 was less than the quantities provided for in the Contract Documents, since it was instead redrilled under an Emergency Contract. The airline in Well No. 6 was still in good condition so it was not replaced. Also, the Allowance in the Contract Documents for miscellaneous work was not needed to be performed.

Mr. Roy said that the total cost of the Change Order is a MINUS $59,955.00 which is a forty-point seven percent (40.7%) decrease from the original contract amount of $147,345.00 to a new contract amount of $87,390.00.

Mr. Roy said this Change Order is ready to be considered for approval by the Authority.

A motion to approve Change Order No. 1 to Steffen Drilling, LLC for the Redevelopment of Well No. 6 and No. 11, Quantities Change Order was made by Mr. Murphy and seconded by Dr. Greenberg to a new contract amount of $87,390.00.

There was no discussion.

The roll call vote was as follows:

Ayes:	Greenberg, Murphy, Galante, Walker, Weber	
Nays:	None	
Absent:	Carullo	
5 Ayes	0 Nays	1 Absent

4. Emergency Contract for the Repairs to Well No. 3, Award Two Contracts.

Mr. Roy said that in accordance with NJAC 5:34-6.1, General Requirements for Emergency Purchases and Contracts, the following actions by the Authority needs to take place.

Mr. Roy said that the Executive Director has taken emergency action to repair our Well No. 3 and now requests that the Commissioners ratify the award of two (2) emergency contracts to pay for the cost to Repair Well No. 3 in compliance with the State Bid Laws and the Administrative Code governing emergency purchases and contracts. NJAC 5:34-6.1 describes the requirements that must be met to award emergency purchases and contracts.

1. ***An actual or imminent emergency must exist requiring an immediate delivery of the goods or the performance of the service.***

On June 6th, Ray Totten, Water Division Deputy Superintendent, found that Well No. 3 had failed. Our electrical service vendor, Quality Electric, went to the well to determine if it was an electrical problem and found that the motor shaft was spinning freely without any indication of flow. Since Frank Steffen of Steffen Drilling, LLC was already in town working on the Emergency Redrilling of Well No. 11, he was called over to remove the pump equipment of Well No. 3 and determine the extent of the damages.

Well No. 3 is a Farrington Aquifer well and has a top of pump setting at 240 feet. Frank Steffen found that the line shafting had snapped in two places: namely, just above the pump and also near the motor head at the top of the well.

CME states that "The Authority was in a precarious situation as it was entering the peak summer demand period and one of its significant water supply sources was out of service which, in our opinion, constituted an emergency should the Authority not have sufficient water for supplying its

customers for consumption and for fire-fighting purposes." (see Page 2, first full paragraph of the attached July 13, 2020 letter from CME)

2. ***A description of the nature of the emergency and the estimated needs for goods and services necessary to respond to it must be identified to those persons in responsible charge.***

The attached CME letter dated July 13, 2020 has been directed to Guy Donatelli, Executive Director who is the person in responsible charge of the Old Bridge MUA.

The CME letter describes the nature of the emergency which is the repair of Well No. 3 to be done before the high summer water demands. The scope of work under this emergency contract is to remove and replace the damaged pumping equipment within Well No. 3.

Two Contractors were involved. Steffen Drilling, LLC (Frank Steffen) provided a price to remove all the pump equipment, rebuild the motor, replace the well with a new pump and new line shafting for a total price of $80,000.

After the pump equipment was removed, A.C. Schultes was called by the Authority to inquire reasons why the line shafting broke after only five years of use. A.C. Schultes redeveloped Well No. 3 in 2015 and replaced the 240 feet of 1-1/2" SS line shafting at that time. A.C. Schultes came to the site to discuss the problem and examine the broken pieces of line shafting. A.C. Schultes was requested to also give us a price to reinstall the well pumping equipment.

A.C. Schultes' price for the remainder of the work at that time was approximately $15,000 cheaper than Frank Steffen's price, so Frank Steffen was told to stop work. A.C. Schultes was told to proceed with their work to reinstall new well pumping equipment. The motor was rebuilt under Frank Steffen's scope of work before the project was handed over to A.C. Schultes.

Frank Steffen needs to be paid under an emergency contract an amount of $20,000 for the removal and reporting on the cause of failure, plus $4,000 to rebuild the existing 125 HP motor ($24,000 total). A.C. Schultes needs to be paid under an emergency contract an amount of $41,518 to replace the pump and line shafting and reinstall the pump equipment along with all new bolts, brackets, and airline.

We went above and beyond with obtaining the best price which is not always done under an emergency contract. The price comparison is as follows:

- Steffen Drilling, LLC for the entire job - **$80,000 quote**

- Steffen Drilling, LLC for removal, assessment and motor rebuild and then A.C. Schultes for replacement parts and reinstallation - **$65,518** ($20,000+$4,000+$41,518) (We chose to use two contractors.)

  We chose the combination of the two contractors which resulted in a ***$14,482 savings*** ($80,000-$65,518)

3. ***The emergency purchasing procedure may not be used unless the need for the goods and services could not have been reasonably foreseen.***

The failed pumping equipment within Well No. 3 could not have been reasonably foreseen. The well failed to work on June 6, 2020 without warning. (see attached memo from Ray Totten, Water Division Deputy Superintendent)

4. ***The contract shall be in such limited duration as to meet only the immediate needs of the emergency.***

These contracts to repair Well No. 3 represent a contract for goods and services that only meets the immediate need of the emergency to enable the well to be placed back into operation prior to the high summer water demands.

5. ***Under no circumstances shall the emergency purchase procedure be used to enter into a multi-year contract.***

The work performed by Steffen Drilling, LLC and A.C. Schultes does not include a multi-year contract.

Based on us complying with the requirements of NJAC 5:34-6, and the July 13, 2020 letter from CME, I recommend that the Authority ratify two emergency contracts: one to Steffen Drilling, LLC and the other one to A.C. Schultes. The Steffen Drilling, LLC emergency contract is for their work to remove the pump equipment of Well No. 3, disassemble the pump to determine the cause of the failure of the well and rebuild the 125HP motor. The A.C. Schultes emergency contract is for their work to replace the broken line shafting, damaged bronze bearing brackets, damaged rubber bearings, damaged pump and reinstall all the pumping equipment with new stainless-steel hardware. Also, to authorize whatever other legal requirements would be necessary to effectuate the emergency contracts with Steffen Drilling, LLC and A.C. Schultes.

Mr. Donatelli said that we are going to now check for motor vibrations more often, every six months or a year as preventive maintenance. Mr. Donatelli said that you could not anticipate this happening. The well runs 24/7.

Mr. Roy said that we will do more preventive maintenance as Mr. Donatelli said.

Attorney Jacobs said to do two separate resolutions to ratify the emergency contracts for the Repairs to Well No. 3.

A motion to ratify the emergency contract with A.C. Schultes for their work to replace the broken line shafting, damaged bronze bearing brackets, damaged rubber bearings, damaged pump and install all the pumping equipment with new stainless-steel hardware was made by Mr. Murphy and seconded by Mr. Galante.

There was no discussion.

The roll call vote was as follows:

Ayes:	Greenberg, Murphy, Galante, Walker, Weber	
Nays:	None	
Absent:	Carullo	
5 Ayes	0 Nays	1 Absent

A motion to ratify the emergency contract with Steffan Drilling, LLC for their work to remove the pump equipment of Well No. 3, disassemble the pump to determine the cause of the failure of the well and rebuild the 125HP motor was made by Chairman Weber and seconded by Mr. Murphy.

There was no discussion.

The roll call vote was as follows:

Ayes:	Greenberg, Murphy, Galante, Walker, Weber	
Nays:	None	
Absent:	Carullo	
5 Ayes	0 Nays	1 Absent

Financial Report: Michelle Smith, Comptroller

Mrs. Smith said that our electricity supplier contract with Direct Energy expires at the end of this year, so we need to hold another reverse auction to procure the best power rates. She said attached to her report is a resolution for passage authorizing the purchase of electricity supply services for the public use on an online auction website. Mrs. Smith said EMEX will hold the auction, and they are an approved State vendor. She said this trigger resolution authorizes me to award a contract to the supplier that submits the winning bid as long as certain prices are achieved for either a 12,18, or 24-month term.

Mrs. Smith said unless there are any questions, I need a motion for the passage of this resolution.

A motion was made by Chairman Weber and seconded by Mr. Walker to award a contract to the supplier that submits the winning bid for the purchase of electricity supply service for the public use on an online auction website as long as certain prices are achieved for either a 12, 18, or 24-month term.

There was no discussion.

The roll call vote was as follows:

Ayes:	Greenberg, Murphy, Galante, Walker, Weber	
Nays:	None	
Absent:	Carullo	
5 Ayes	0 Nays	1 Absent

Mrs. Smith said that her other item the she wants to discuss with the Commissioners is that the Government Finance Officers Association recently awarded the Authority with the Certificate of Achievement for Excellence in Financial Reporting for its comprehensive Annual Financial Report for the Fiscal Year Ended May 31, 2019. This is the 16th consecutive year we have achieved this award.

To be awarded this certificate, the Government agency must publish an easily readable and efficiently organized comprehensive Annual Financial Report. Mrs. Smith said that this report must satisfy both generally accepted accounting principles and legal requirements. She said that she

would like to thank Jessica Sangiorgio, our accountant and benefit administrator, for her help in putting this report together.

Mrs. Smith said to Chairman Weber that was all that she had to report. Thank you.

A motion to approve Mrs. Smith's Financial Report was made by Dr. Greenberg and seconded by Mr. Galante.

There was a voice vote of all ayes by the Commissioners.

Dr. Greenberg congratulated Mrs. Smith on doing a good job, and that the Authority has received this for sixteen years in a row.

Chairman Weber said that this should be put on social media.

Mrs. Smith said that we can put it on our web site.

Mr. Korman, PC Visions, said he will put it on the OBMUA's web site.

Bills & Claims: Dr. Greenberg said that the Bills and Claims were for a total of $1,930,637.28.

A motion to approve the Bills and Claims for a total amount of $1,930,637.28 was made by Mr. Galante and seconded by Mr. Walker.

The roll call vote was as follows:

Ayes:	Greenberg, Murphy, Galante, Walker, Weber	
Nays:	None	
Absent:	Carullo	
5 Ayes	0 Nays	1 Absent

Legal Report: Mitchell Jacobs, Esq.

Attorney Jacobs said he has no Legal Report.

Old Business: None

New Business: Mr. Murphy said that he has spent 65% of his life with the Authority. He congratulated the Commissioners on their understanding of the emergency situation regarding the wells, as well as thanking all the staff involved with it, and CME Associates.

Chairman Weber said he has lived in the town for forty-five years and has seen the improvements.

Open to Public: Chairman Weber opened the meeting to the public.

Mr. Korman said there was no public.

Executive Session: There was no Executive Session.

Adjournment: A motion to adjourn was made by Dr. Greenberg and seconded by Mr. Walker.

There was a voice vote of all ayes by the Commissioners.

The meeting was adjourned at 7:57 p.m.

Respectfully submitted,

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John E. Murphy III, Secretary