

Suburban

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Fees for water, sewer, at issue in Old Bridge

BY THOMAS CASTLES Staff Writer

OLD BRIDGE — The Old Bridge Municipal Utilities Authority (MUA), the autonomous entity in charge of providing water and sewage service in the township, has come under fire in recent weeks from Mayor Owen Henry and several residents and ratepayers, who claim that the MUA is overcharging for services.

The Republican mayor said the previous Democratic administration in Old Bridge had taken approximately \$8 million in surplus funds from the MUA to balance municipal budgets in 2009, 2010 and 2011. When Middlesex Water Co., the company that provides the MUA with its water, increased premiums on its services, the MUA could have used that \$8 million surplus to absorb costs. Instead, it passed the tab along to township ratepayers, Henry said.

However, Democratic Councilman Kevin Calogera, who chairs the Old Bridge Democratic Party, said Henry's statement was misleading and inaccurate.

Calogera contended that the transfer of funds between the two entities is a standard and legal practice, and to claim that funds were "taken" was a deliberate attempt by the mayor to make the transfer sound illegal.

Calogera said the \$8 million transfer included \$5.6 million that the township received when it sold about 300 acres of land to the MUA, which would use it as the site of three water recharge basins.

In a recap of the 2011 municipal budget, the Suburban reported that the land sale would "allow the [MUA] to part ways with Middlesex Water Co. in hopes of reducing water rates in the future. The project, which was approved in December 2010, involved the sale of Old Bridge property to the MUA for \$5.6 million."

That separation has not come to fruition, and the MUA continues to distribute water from Middlesex Water Co., according to MUA engineer Mike Roy.

"It was clear when this was done that it was a long-term project to develop and implement, and there was no expectation [that it would be completed] within two years," Calogera said.

Henry said the split has not occurred because the recharge basin project that would cut MUA dependency on Middlesex Water Co.'s water supply was rejected by the state Department of Environmental Protection.

"It's not going to work the way [the MUA] planned, and they still raised rates because of Middlesex Water," he said. "The taxpayer has gotten nothing from the transfer of funds."

Henry said that using MUA funds to balance the township budget was not standard practice, because it was only done in the township over the course of three years.

Henry added that selling land to the MUA to balance the township budget was essentially the same as using the MUA's surplus funds for that purpose.

Because both the municipality and the MUA can only operate with the fiscal support of Old Bridge residents, Henry said residents "sold the land [to the MUA] and then bought it back with their own [water fee] money. Ratepayer money is taxpayer money; it comes out of the same wallet."

Calogera defended the land sale because, without the \$5.6 million it garnered for the township, the administration would have been forced to raise taxes.

"At the same time this was all going on, Gov. [Chris] Christie cut municipal aid to the township by \$4.5 million. So where did they think this money was going to come from?" Calogera said.

"We had to make up for that shortfall, and try to keep people employed. I still think we did the right thing because we employed a new source of water, provided tax relief, and considering the safety issue of laying off police, we kept police protection at the highest level possible."

Henry was not so convinced.

"I think it offended everyone in Old Bridge. It wasn't the right thing to do at the time, and it still isn't the right thing to do. It was legal, yes, but that doesn't make it right," he said.

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