

**MINUTES OF THE REGULAR SESSION OF THE
JERSEY CITY MUNICIPAL UTILITIES AUTHORITY
HELD AUGUST 25, 2011**

PRESENT: Chairwoman, Eileen Gaughan
Commissioner, Donald Brown
Commissioner, William Macchi
Commissioner, Lewis Matthias
First Alternate Commissioner, Nicholas Economou

ABSENT: Commissioner, William Chopek

ALSO PRESENT: Matthew Donohue, CPA, Donohue, Gironde and Doria
Judy Rybka, Recording Secretary
Drake C. Stinson, PE, LEED, AP, Mayo Lynch and Associates
Jodi Luciani, Esquire, Trent, DePasquale et al
Kevin Carr, Purchasing Agent
Gerry Remsen, P.E., Senior Engineer
Seamus Cunningham, P.E., Mayo, Lynch & Associates
Barbara Gordon, Director of Administration
John Hroncich, PE, United Water
Dore Carlo, ISM/Safety Officer
John Folk, CPA, Director of Finance
Krystyna Pawlowska, Administrative Assistant

In compliance with the Sunshine Laws, Chairwoman Gaughan ordered and directed that a Public Notice of a Public Meeting of the Jersey City Municipal Utilities Authority be posted in the main lobby of the Jersey City Municipal Utilities Authority Administration Building and that a copy of the notice be sent to The Jersey Journal, The Star Ledger and the City Clerk.

Chairwoman Gaughan convened the meeting at 5:04 p.m., and opened with the Pledge of Allegiance.

Resolution 8/11/1 authorizing transfer of funds for sewer operations

Motioned to approve by Chairwoman Gaughan

Seconded by Commissioner Brown

Unanimously approved by all remaining Commissioners present.

Resolution 8/11/2 authorizing payments of audited claims for sewer operations

Chairwoman Gaughan questioned expenditure for downgrade of computer system.

Mr. Carlo explained that other servers are 2003 so all must be 2003.

Chairwoman Gaughan asked, "What's a polyethylene funnel?"

Mr. Carr replied, "It's a safety item."

Motioned to approve by Chairwoman Gaughan

Seconded by Commissioner Brown

Unanimously approved by all remaining Commissioners present.

Resolution 8/11/3 authorizing transfer of funds and payments of audited claims for water operations

Motioned to approve by Chairwoman Gaughan

Seconded by Commissioner Brown

Unanimously approved by all remaining Commissioners present.

Resolution 8/11/4 authorizing cash disbursements

Motioned to approve by Chairwoman Gaughan

Seconded by Commissioner Brown

Unanimously approved by all remaining Commissioners present.

Resolution 8/11/5 authorizing payments from the capital improvement, project, construction and note funds

Motioned to approve by Chairwoman Gaughan

Seconded by Commissioner Brown

Unanimously approved by all remaining Commissioners present.

Resolution 8/11/6 approving settlement in the matter entitled, New Jersey Fireman's Home v. Verizon New Jersey, Inc. et al, bearing docket number MRS-L-469-10

Motioned to approve by Commissioner Matthias

Seconded by Chairwoman Gaughan

Unanimously approved by all remaining Commissioners present.

Resolution 8/11/7 establishing IRC Section 125 Flexible Benefits Plan
Motioned to approve by Chairwoman Gaughan
Seconded by Commissioner Matthias
Unanimously approved by all remaining Commissioners present.

Resolution 8/11/8 updating Resolution 4/09/18, establishing a cash management plan

Mr. Folk requested Resolution 8/11/8 be deleted from the agenda in order to allow banks time to complete the political contribution disclosure form.

Mr. Carr added, "They're exempt but they must complete the disclosure form."

Resolution 8/11/8 is deleted from the agenda.

Resolution 8/11/9 amending a water emergency on Garfield and Linden Avenues

Commissioner Macchi asked about "six blocks of pipe on the Boulevard and Montgomery Street."

Mr. Remsen explained these are high voltage electrical lines. "This was mandated five years ago but they were pushing it off." PSE&G currently working on Phase II; there are five stages. The project is being paid for by PSE&G.

Commissioner Macchi then asked about solar panels installed in certain areas of the City.

Chairwoman Gaughan explained the Federal government is asking certain States to participate in a pilot program/case study to determine if solar power can be used to power street lights and lower the cost. However, the initial install is costly.

Commissioner Brown added, "There is no guarantee the savings will be cost effective or cost less than the current energy source."

Mr. Carr explained the best way to save on the cost of electricity is through cooperative purchasing which must be done with Hudson County. He reported JCMUA will participate in the County's new contract. "We can't do it now because it's already set. It's an eighteen month bid, and the last time it was done was January (2011). The more electricity used the greater the savings. The County cooperative is the only successful way to lower the cost of energy. Green energy is still experimental."

Chairwoman Gaughan continued to explain that funding was given to cities to go completely green but initial costs are too high and the return on the initial investment is spread over many years.

Commissioner Brown discussed work being done by J. Fletcher Creamer and an area of the City that has been repaved by the City. "Now the street is back to the way it was."

Mr. Remsen reported only the trench is repaired and the gas line was just completed. Other work is not yet complete. Work will be completed with infrared to blend with the old pavement.

Motioned to approve by Chairwoman Gaughan
Seconded by Commissioner Brown
Unanimously approved by all remaining Commissioners present.

Resolution 8/11/10 authorizing MMREF expenditure for repointing of masonry joints in down stream face of Boonton Dam Section II

Ms. Luciani advised the date on the water memo (7th Whereas paragraph on page two of Resolution 8/11/10) is incorrect. The correct date is July 28, 2011, not April 20, 2009. (A copy of the July 28, 2011 memo is attached to Resolution 8/11/10.)

Chairwoman Gaughan instructed Resolution 8/11/10 be amended to include the correct date.

Motioned to approve by Commissioner Matthias
Seconded by Commissioner Economou
Unanimously approved by all remaining Commissioners present.

Resolution 8/11/11 authorizing water emergency expenditure utilizing the MMREF account for the cleaning and lining of 6 inch water mains on Greenville Avenue, Glenwood Avenue, Rock Street, Academy Street, Baldwin Avenue, First Street, Colgate and Sherman Place

Mr. Remsen advised Greenville Avenue is not part of this project. Greenville Avenue has already been cleaned and lined.

Chairwoman Gaughan asked Mr. Folk to delete Greenville Avenue from Resolution 8/11/11. She then recused herself from voting on this Resolution explaining she lives on Sherman Place.

Motioned to approve by Commissioner Matthias
Seconded by Commissioner Brown
Recusal by Chairwoman Gaughan
Unanimously approved by all remaining Commissioners present.

Resolution 8/11/12 amending an emergency repair to J. Fletcher Creamer for the 30 inch water main on 18th Street

Motioned to approve by Commissioner Brown
Seconded by Commissioner Matthias
Unanimously approved by all remaining Commissioners present.

Resolution 8/11/13 making application to the Local Finance Board pursuant to N.J.S.A. 40A:5A-6

Mr. Folk explained this is for outstanding existing notes which are renewed each year.

Motioned to approve by Commissioner Matthias
Seconded by Commissioner Economou
Unanimously approved by all remaining Commissioners present.

Resolution 8/11/14 making application to the Local Finance Board pursuant to N.J.S.A 40A:5A-6

Mr. Folk explained this is an EPA requirement when issuing new debt.

Motioned to approve by Chairwoman Gaughan
Seconded by Commissioner Brown
Unanimously approved by all remaining Commissioners present.

Resolution 8/11/15 making application to the Local Finance Board pursuant to N.J.S.A. 40A:5A-6

Mr. Folk explained interest rates have dropped and the Authority will be refinancing one of its issues. The potential savings is approximately \$.5 million.

Motioned to approve by Commissioner Matthias
Seconded by Commissioner Economou
Unanimously approved by all remaining Commissioners present.

Resolution 8/11/16 declaring its official intent to reimburse expenditures for project costs from the proceeds of debt obligations

Mr. Folk explained this is reimbursement for payment of expenditure in advance of issuing debt in Resolution 8/14/11.

Motioned to approve by Commissioner Economou
Seconded by Commissioner Brown
Unanimously approved by all remaining Commissioners present.

Resolution 8/11/17 making application to the Local Finance Board pursuant to N.J.S.A.40A:5A-6 and N.J.S.A.58:11B-9(a)

Mr. Folk explained this is advance money for the northeast interceptor project. A change order is needed because PCB's were found resulting in an increase in the cost of work. He added that all matters (Resolutions 8/11/13 through 8/11/17) will be brought before the Local Finance Board at the same time. He added the NJ Infrastructure Trust interest

arranged. Hurricane preparedness efforts are being coordinated with the Office of Emergency Management.

Chairwoman Gaughan asked if the MUA plans to prepare a press release.

Mr. Carlo explained the press release is being handled by City Hall.

Entered Closed Session at 5:45 p.m.

Motioned by Chairwoman Gaughan

Seconded by Commissioner Macchi

Unanimously approved by all remaining Commissioners present.

Closed Session Ended/Regular Session Reopened 6:01 p.m.

Motioned by Commissioner Brown

Seconded by Chairwoman Gaughan

Unanimously approved by all remaining Commissioners present.

Closed Session Report

Per Ms. Luciani, personnel issues were discussed during closed session.

Approval of Minutes

Approval of the minutes of the July 28, 2011 Commissioner meeting

Motioned to approve by Chairwoman Gaughan

Seconded by Commissioner Brown

Unanimously approved by all remaining Commissioners present.

Adjournment

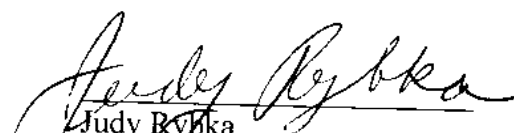
The meeting adjourned at 6:02 p.m.

Motioned by Chairwoman Gaughan

Seconded by Commissioner Matthias

Unanimously approved by all remaining Commissioners present.

Respectfully submitted,


Judy Rybka
Recording Secretary