

**JERSEY CITY MUNICIPAL UTILITIES AUTHORITY
MINUTES OF THE BOARD OF COMMISSIONERS MEETING
NOVEMBER 25, 2014**

CALL TO ORDER - 5:01 PM

In compliance with the Sunshine Laws, Chairman Balmir 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.

ROLL CALL OF MEMBERS PRESENT:

Chairman, Gerard M. Balmir, Jr.
Commissioner, Lewis W. Matthias
Commissioner, Marie Tauro
Commissioner, John H. Thieroff
First Alternate Commissioner, Nicholas I. Economou
Second Alternate Commissioner, Thomas M. Gibbons

MEMBERS ABSENT:

Commissioner, William A. Macchi

ALSO PRESENT:

Daniel Becht, Esquire, Executive Director
Judy Rybka, Recording Secretary
Frank J. Borin, Esquire, DeCotiis, FitzPatrick & Cole, LLP
Richard Haytas, P.E., Senior Engineer/Infrastructure Maintenance Supervisor
Barbara Gordon, Director of Administration
Kevin Carr, Purchasing Agent
John Folk, CPA, Director of Finance
Krystyna Pawlowska, Administrative Assistant
Jerome A. Harris, P.E., P.P., CME Associates
Michael McClelland, P.E., P.P., C.M.E., CME Associates
Terrence McDonald, The Jersey Journal
Paul Kelly, Remington, Vernick and Arango Engineers, Inc.

FLAG SALUTE

PUBLIC COMMENT – No public comment

APPROVAL OF MINUTES

Minutes of the October 30, 2014 Commissioners meeting are amended as follows:

Resolution 10/14/8 – the original roll call vote on Resolution 10/14/8 included a “Nay” vote by Chairman Balmir which was not reflected in the October 30, 2014 minutes. There was some confusion about the vote, and Chairman Balmir amended/changed his vote on Resolution 10/14/8 to an “Aye” vote prior to adjournment of the meeting.

Motioned to approve as amended above by Commissioner Tauro
Seconded by Commissioner Thieroff

Roll call vote: Commissioner Economou Aye
Commissioner Thieroff Aye
Commissioner Tauro Aye
Commissioner Matthias Aye
Chairman Balmir Aye

Minutes of the October 30, 2014 Commissioners meeting are approved as amended above.

RESOLUTIONS

Resolution 11/14/1 authorizing transfer of funds for sewer operations

Motioned to approve by Commissioner Thieroff

Seconded by Commissioner Matthias

Roll call vote: Commissioner Economou Aye
Commissioner Thieroff Aye
Commissioner Tauro Aye
Commissioner Matthias Aye
Chairman Balmir Aye

Resolution 11/14/2 authorizing payments of audited claims for sewer operations

Motioned to approve by Commissioner Thieroff

Seconded by Commissioner Economou

Roll call vote: Commissioner Economou Aye
Commissioner Thieroff Aye
Commissioner Tauro Aye
Commissioner Matthias Aye
Chairman Balmir Aye

Resolution 11/14/3 authorizing transfer of funds and payments of audited claims for water operations

Motioned to approve by Commissioner Thieroff
Seconded by Commissioner Matthias
Roll call vote: Commissioner Economou Aye
Commissioner Thieroff Aye
Commissioner Tauro Aye
Commissioner Matthias Aye
Chairman Balmir Aye

Resolution 11/14/4 authorizing cash disbursements

Motioned to approve by Commissioner Matthias
Seconded by Commissioner Thieroff
Roll call vote: Commissioner Economou Aye
Commissioner Thieroff Aye
Commissioner Tauro Aye
Commissioner Matthias Aye
Chairman Balmir Aye

Resolution 11/14/5 authorizing payments from the capital improvement, project and note funds

Motioned to approve by Commissioner Thieroff
Seconded by Commissioner Economou
Roll call vote: Commissioner Economou Aye
Commissioner Thieroff Aye
Commissioner Tauro Aye
Commissioner Matthias Aye
Chairman Balmir Aye

Resolution 11/14/6 awarding contract for provision of disposable netting bags and associated hardware for CSO netting facilities; JCMUA contract number DNB-2014-39

Chairman Balmir asked if one bid only was received.

Mr. Carr replied, "Yes." The term of the agreement is two years or until the nets are used. The bid is for nets only; frames are fabricated by the JCMUA which results in lowered costs.

Motioned to approve by Commissioner Thieroff
Seconded by Commissioner Matthias
Roll call vote: Commissioner Economou Aye
Commissioner Thieroff Aye
Commissioner Tauro Aye
Commissioner Matthias Aye
Chairman Balmir Aye

Resolution 11/14/7 authorizing change order number 10 for East Side pump station, motor, VFD and control replacements; JCMUA contract number ESPI-2012-19; NJEIT

project number S34928-09

Commissioner Gibbons noted the reason for the change order is not clear and asked if it's a design change.

Mr. Haytas explained that he was informed by the contractor that putting this in the design resulted in added value. The sluice gate is automatically lowered in wet weather rather than relying on the operator to determine when to raise and lower the gate and provides certain protections.

Commissioner Gibbons noted that Resolution 11/14/7 states it is not economically feasible. He added that he's seen this in Resolutions in the past and that it should be addressed for this Resolution and future Resolutions.

Mr. Borin suggested amending Resolution 11/14/7 and including a paragraph to address the value added component. Commissioners can then vote on Resolution 11/14/7 as amended.

Motioned to approve as amended above by Commissioner Thieroff

Seconded by Commissioner Economou

Roll call vote: Commissioner Economou Aye
Commissioner Thieroff Aye
Commissioner Tauro Aye
Commissioner Matthias Aye
Chairman Balmir Aye

Resolution 11/14/8 authorizing leasing of one (1) copy machine

Motioned to approve by Commissioner Matthias

Seconded by Commissioner Thieroff

Roll call vote: Commissioner Economou Aye
Commissioner Thieroff Aye
Commissioner Tauro Aye
Commissioner Matthias Aye
Chairman Balmir Aye

Resolution 11/14/9 authorizing change orders numbers 2 and 3 for contract for Sip Avenue sewer separation project; JCMUA contract number SA-2013-48

Commissioner Thieroff noted that much of the change order amount is due to police costs. The original amount was \$44,000 (approximately) and the change order is for an additional \$150,000. He expressed his concerns about the continued high cost of police coverage and his reluctance to vote on Resolution 11/14/9 "with the information in front of me."

Mr. Becht also expressed concerns about police costs but explained the job has taken additional time and police coverage is mandated. Safety matters are decided by the local

police department and they determine what constitutes a safety issue. "It's out of our control."

Commissioner Thieroff suggested discussing this with the City and recalled this issue is a source of discussion at most Commissioners meetings. "It comes up every month. There's no oversight and we need some level of intervention."

Mr. Becht agreed it's been a difficult situation for some time, including during the past City administration. An ordinance is being drafted to suggest the MUA be charged the municipal rate and not the contractor rate (municipal rate is approximately \$10 per hour less).

Chairman Balmir recalled discussions about a letter from Commissioners to City administration and asked if it was sent.

Mr. Borin explained an ordinance has been drafted and will be sent to the City shortly, and Mr. Becht added a letter will be drafted to the Chief of Police and Mayor.

Commissioner Tauro suggested scheduling a meeting with the City's Safety Director.

Per Chairman Balmir, steps to remedy this matter will be handled through the Operations Committee.

Mr. Folk advised the sixth "Whereas" paragraph, item 3 of Resolution 11/14/9 contains a typo. The correct figure is \$5,958.08.

Motioned to approve by Commissioner Matthias
Seconded by Commissioner Economou
Roll call vote: Commissioner Economou Aye
 Commissioner Thieroff Nay
 Commissioner Tauro Aye
 Commissioner Matthias Aye
 Chairman Balmir Aye

Resolution 11/14/10 authorizing award of a contract to Pumping Services, Inc. to provide repair services to pumps as a "non-fair and open contract" pursuant to N.J.S.A. 19:44A-20.4 et seq

Commissioner Thieroff referred to a statement in the Resolution indicating that Pumping Services, Inc. provides the lowest price.

Mr. Carr explained a quote is obtained when the bid threshold is exceeded by 50 percent.

Motioned to approve by Commissioner Thieroff
Seconded by Commissioner Economou

Roll call vote: Commissioner Economou Aye
Commissioner Thieroff Aye
Commissioner Tauro Aye
Commissioner Matthias Aye
Chairman Balmir Aye

Resolution 11/14/11 authorizing MMREF expenditure for replacement of 12 inch water main in Fourth Street between Washington Boulevard and New Jersey Transit Light Rail tracks

Commissioner Thieroff asked if there is a possibility New Jersey Transit (NJT) “will help on the Washington Street project.”

Mr. Haytas replied that he will look into it and report back.

Mr. Becht asked that Mr. Prakash be present at meetings when a water Resolution is on the agenda.

Motioned to approve by Commissioner Thieroff
Seconded by Commissioner Matthias

Roll call vote: Commissioner Economou Aye
Commissioner Thieroff Aye
Commissioner Tauro Aye
Commissioner Matthias Aye
Chairman Balmir Abstention

Resolution 11/14/12 authorizing MMREF expenditure for emergency replacement of 6 inch water main in Duncan Avenue between Bergen Avenue and John F. Kennedy Boulevard

Commissioner Thieroff noted there is no estimate for police costs on this Resolution and asked the amount. He noted that United Water overrode the bid and asked if this happens often.

Per Mr. Haytas, the estimated cost for police is \$35,000.

Mr. Becht explained Guarini Plumbing is not on United Water’s pre-selected list and does not have an agreement with United Water. Since United Water oversees the water side, it’s important they feel comfortable with the contractor.

Mr. Folk explained United Water has certain standards and J. Fletcher Creamer is on their list. The Authority needed to move forward quickly and the difference in the bid amount is not very significant (approximately \$5,000). It was therefore decided that the work be performed by Creamer.

Commissioner Thieroff asked, “Who makes the call?”

Per Mr. Folk, the MUA ultimately makes the decision.

Motioned to approve by Commissioner Thieroff
Seconded by Commissioner Economou

Roll call vote: Commissioner Economou Aye
Commissioner Thieroff Aye
Commissioner Tauro Aye
Commissioner Matthias Aye
Chairman Balmir Abstention

COMMUNICATIONS – No

EXECUTIVE DIRECTOR’S REPORT – Mr. Becht reported there was a 52 inch sewer break at the light rail resulting in service interruption on NJ Transit (NJT). The sewer was shut down but will be “back to normal sometime Wednesday” (November 26, 2014). This is a temporary repair and permanent repairs will be done in the next several days. Multiple meetings have been held with NJDEP, NJT, Jersey City police and Mayor and the Governor. J. Fletcher Creamer and an outside engineering firm will document costs, expenses, protocols.

Commissioner Tauro asked how it happened and who will bear repair costs.

Mr. Becht explained it was a pipe failure. At some point the pipe was drilled into which may have created issues that led to an early failure. As far as repair costs are concerned, Mr. Becht explained “we’re not there yet.” The DEP is asking that service be restored as quickly as possible. The MUA has consulted with legal, and both NJT and the NJDEP are “working with us” and they are satisfied with our management of the situation.

COMMITTEE REPORT – No reports

COUNSEL REPORT – No report

UNFINISHED BUSINESS – No unfinished business

NEW BUSINESS – Commissioner Gibbons advised that he is interested in learning more about the JCMUA’s policy concerning separation of storm water from sanitary.

EXECUTIVE SESSION – Entered Executive Session at 5:40 p.m.

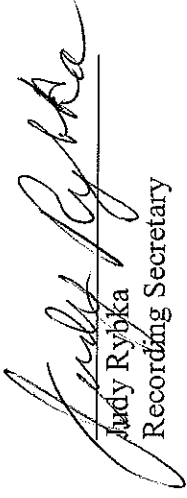
Motioned to approve by Commissioner Thieroff
Seconded by Commissioner Matthias

Roll call vote: Commissioner Economou Aye
Commissioner Thieroff Aye
Commissioner Tauro Aye
Commissioner Matthias Aye
Chairman Balmir Aye

ADJOURNMENT

The meeting adjourned at 5:50 p.m.
Motioned to approve by Commissioner Thieroff
Seconded by Commissioner Matthias
Unanimously approved by all Commissioners present.

Respectfully submitted,


Judy Rybka
Recording Secretary