

**JERSEY CITY MUNICIPAL UTILITIES AUTHORITY
MINUTES OF THE BOARD OF COMMISSIONERS MEETING
APRIL 22, 2015**

CALL TO ORDER – 5:05 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:

Commissioner, Lewis W. Matthias
Commissioner, Marie Tauro
Commissioner John H. Thieroff
First Alternate Commissioner, Nicholaos I. Economou
Second Alternate Commissioner, Thomas M. Gibbons

MEMBERS ABSENT:

Chairman, Gerard M. Balmir
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, PE, Senior Engineer/Infrastructure Maintenance Supervisor
Barbara Gordon, Director of Administration
Kevin Carr, Purchasing Agent
Rajiv Prakash, Engineering Department
Elmer Andal, Finance Department
John Folk, CPA, Director of Finance
Michael McClelland, PE, PP, CME, CME Associates
Jerome A. Harris, PE, PP, CME Associates

FLAG SALUTE

PUBLIC COMMENT – No public comment

APPROVAL OF MINUTES

Approval of minutes of the March 18, 2015 Commissioners meeting

Motioned to approve by Commissioner Thieroff

Seconded by Commissioner Economou

Roll call vote: Commissioner Economou	Abstention
Commissioner Thieroff	Aye
Commissioner Gibbons	Aye
Commissioner Matthias	Aye
Commissioner Tauro	Aye

CONSENT AGENDA

Resolutions 4/15/1 authorizing transfer of funds for sewer operations

Resolution 4/15/2 authorizing payments of audited claims for sewer operations

Resolution 4/15/3 authorizing transfer of funds and payments of audited claims for water operations

Resolution 4/15/4 authorizing cash disbursements

Resolution 4/15/5 authorizing payments from the capital improvement, project and note funds

Resolution 4/15/6 awarding contract for provision of emergency and non-emergency plumbing repairs services; JCMUA contract number PRS-2015-07

Resolution 4/15/7 awarding contract for provision of emergency and non-emergency rental, delivery, set up and return of various size trailer mounted self-priming discharge pumps, trailer mounted diesel generators, submersible pumps and associated equipment; JCMUA contract number RTMSP-2014-48

Resolution 4/15/9 awarding contract for the provision of two 2015 4X4 crew cab service trucks with crane and associated equipment; JCMUA contract number CCTC-2014-42

Resolution 4/15/10 authorizing change order number three for emergency condition on Fourth Street between Coles Street and Brunswick Street, and on Monmouth Street between Fourth and Fifth Streets

Resolution 4/15/11 awarding contract for the provision of one 2015 4X4 regular cab service truck with crane and associated equipment; JCMUA contract number STC-2014-41

Resolution 4/15/12 authorizing the award of a contract for special/conflict counsel services

Resolution 4/15/13 awarding contract extension to American Wear, Inc. for furnishing (rental), cleaning and maintaining employee uniforms for one (1) year pursuant to and in accordance with the provisions of N.J.S.A. 40A:11-15

Resolution 4/15/14 authorizing the award of a contract for professional engineering services to T & M Associates for improvements to the Port Jersey Boulevard East (PS1), Port Jersey Boulevard North (PS2) and Chapel Avenue (PS3B) pump stations

Resolution 4/15/16 awarding contract for the provision of repair services and parts for raw sewage motors, pumps and variable frequency drives, control panels and associated equipment; JCMUA contract number RSMPD-2014-49

Resolution 4/15/17 authorizing change order number three for the Duncan Avenue outfall replacement and water main relocation project; JCMUA contract number DAS-2013-11A

Resolution 4/15/18 authorizing the award of a contract for the preparation of a connection and user fee rate study

Resolution 4/15/19 authorizing execution of an agreement with New York SMSA Limited Partnership D/B/A Verizon Wireless for the leasing of a portion of property for cell communications and facilities and equipment

Resolution 4/15/20 authorizing change order number 1 to 8 for MMREF expenditure for replacement of water main in Magnolia Avenue

Resolution 4/15/21 authorizing change order number 1 to 5 for MMREF expenditure for sodium permanganate storage and feed system

Resolution 4/15/22 authorizing execution of agreement with the Commissioner of Transportation for the Route 7 Kearny Drainage Improvement Project

Motioned to approve by Commissioner Gibbons

Seconded by Commissioner Thieroff

Roll call vote: Commissioner Economou Aye

 Commissioner Thieroff Aye

 Commissioner Gibbons Aye

 Commissioner Matthias Aye

 Commissioner Tauro Aye

DEFERRED AGENDA

Resolution 4/15/8 authorizing the execution and delivery of agreements by the Jersey City Municipal Utilities Authority pursuant to the 2014 New Jersey Environmental Infrastructure Trust Financing Program

Motioned to approve by Commissioner Gibbons
Seconded by Commissioner Matthias

Commissioner Thieroff reported the Finance Committee recently met to discuss bond issues. While the interest rate is favorable and provides an opportunity to fund projects, Commissioner Thieroff expressed his concern that the Authority may be borrowing money that otherwise would not have to be borrowed. "We're in a position to fund internally. Why borrow?"

Commissioner Gibbons stated he is in agreement with Commissioner Thieroff, and reported that he recently had an opportunity to review certain document(s) listing other municipalities and their borrowing practices. "Jersey City is in the lead."

Mr. Folk explained, "This is closure of a series of events. We went to the Infrastructure Trust for certain projects and this is part of our financial plan. This is the last step in a two to three year plan."

Roll call vote: Commissioner Economou	Aye
Commissioner Thieroff	Aye
Commissioner Gibbons	Aye
Commissioner Matthias	Aye
Commissioner Tauro	Aye

Resolution 4/14/15 authorizing the filing of an application with the Local Finance Board and authorizing other actions required for participation in the New Jersey Department of Environmental Protection Dam Restoration and Inland Waters Projects Loan Program

Motioned to approve by Commissioner Thieroff
Seconded by Commissioner Economou

Commissioner Thieroff stated that his comments concerning Resolution 4/14/15 are the "same" as his comments for Resolution 4/14/8.

Mr. Folk explained that approximately two years ago it was determined that certain dam work was needed in Boonton but the Infrastructure Trust does not finance dam improvements. The Authority then submitted an application to Dam Safety for a low interest loan. Approximately 45 days ago, the JCMUA was notified its application was approved for \$5 million at an interest rate of 2 percent.

Commissioner Gibbons asked, "At what point do we reach carrying capacity?" He noted that loans are a major source of funds for capital programs.

Mr. Folk explained the Authority is capable of borrowing more money at the Infrastructure Trust rate. The State guarantees the debt, the interest rate is low and it's "easy to borrow". He added, "We are not approaching 35 percent of income" (a formula used for mortgage lending).

Roll call vote: Commissioner Economou Aye
Commissioner Thieroff Nay
Commissioner Gibbons Nay
Commissioner Matthias Aye
Commissioner Tauro Aye

COMMUNICATIONS – None

EXECUTIVE DIRECTOR REPORT – Per Mr. Becht, “nothing new to report.”

COMMITTEE REPORTS

Environmental Committee – Commissioner Gibbons reported on the status of the proposed Jersey City Sustainability Ordinance. The ordinance has gone through Planning and is now with the Mayor. It will possibly be presented next month to City Council for vote. He requested approval to attend that City Council meeting as a member of JMCUA’s Board of Commissioners.

Mr. Becht advised Commissioner Gibbons’ attendance at the City Council meeting is a matter for Board approval.

Commissioner Gibbons explained he will circulate a one page document detailing the ordinance when it is in final format.

Per Mr. Becht, the MUA will review the document as the Authority may be able to add “something helpful.”

Mr. Borin recommended the document be circulated at the May Commissioners meeting.

COUNSEL REPORT – Will report in Executive Session.

ITEMS OF UNFINISHED BUSINESS

Commissioner Gibbons recalled the proposed contract extension for the Grant/Community Outreach Consultant.

Mr. Borin advised the contract expired December 31, 2014. It was discussed at the January 2015 Commissioners meeting and no action was taken by the Board at that time.

Mr. Andal reported the last grant application was submitted on February 3, 2015 by the consultant, and it will take approximately three to four months before the MUA hears back.

Mr. Becht explained the MUA is now working with/partnering with Rutgers and Passaic Valley Sewer Commission. Additionally, there is a new JCMUA employee working on Earth Day, community outreach and customer service with United Water. Although the consultant did a

“good job” the Authority is now handling these items in house and there may not be enough work to justify a consultant. However, this matter can be revisited in the future.

Commissioner Gibbons led a general discussion regarding the agenda item “Unfinished Business.” Although the Board discusses Unfinished Business at its meetings, there is no system in place to track these items and their progress/status. He suggested creating a list of “action items” for tracking.

For example, Commissioner Thieroff recalled the proposed chart for tracking change orders that was discussed many times at Commissioners meetings but has not yet been implemented.

Unfinished Business Agenda/Action Item(s) for May 2015 Commissioners meeting:

1. Change order chart.

NEW BUSINESS

Mr. Haytas addressed the Board and recalled the 54 inch force main break that took place back in November 2014 and advised that he worked substantial overtime during that project. He explained that for the past 19 years prior to October/November 2014, he received overtime pay in situations such as this. However, he was not given overtime pay for this project but did receive comp time at a rate of time and a half. Per Mr. Haytas, the comp time combined with the vacation time he currently receives, would add up to approximately three months time off. He feels he is not in a position to take that much time off without impacting his job and the quality of service given residents of the City. He added that other individuals working with him did receive overtime pay for the force main project. Mr. Haytas thanked the Board for giving him the opportunity to bring this matter to their attention.

Commissioner Tauro discussed a document containing overtime information and stated her position that Mr. Haytas should be paid overtime for the force main break project.

Mr. Borin advised overtime and eligibility for overtime can be discussed in Executive Session in general but not pertaining to a specific employee. If a specific employee is discussed, the employee must receive Rice notice within 48 hours of the meeting/discussion.

Mr. Becht explained that he, too, worked many additional hours on this project but senior management is not eligible for overtime. Although the overtime policy changed in 2012, Mr. Haytas “still got extra overtime pay as a courtesy” in certain situations such as Superstorm Sandy. Per Mr. Becht, Mr. Haytas does a fine job and was promoted to Senior Engineer several years ago. At that time he was given a substantial increase and has received other salary adjustments from time to time as well. When Mr. Becht assumed the position of Executive Director, overtime costs were “very extensive” but they have since decreased.

Mr. Haytas stated he is “treated well” by Administration and the JCMUA. “I love my job and put in a full day’s work and then some at all times. The money is not the issue.” He noted that he is pleased with his salary but added that for 19 years he received overtime pay and does not

understand why he didn't receive overtime pay for the November 2014 project. He also noted that although his is upper management, he is required to "punch in/punch out."

Mr. Borin advised the legal standards of overtime will be discussed in Executive Session. Whether Mr. Haytas is given overtime pay or not is a Board decision but it cannot be dealt with legally at tonight's meeting since Rice notice requirements have not been met.

Commissioner Gibbons recommended the matter be tabled until the Authority's overtime policy can be reviewed/discussed and there is clarity on the eligibility requirements for overtime pay.

Motion to table the matter of overtime pay for Mr. Haytas by Commissioner Gibbons
Seconded by Commissioner Thieroff

Roll call vote: Commissioner Economou	Aye
Commissioner Thieroff	Aye
Commissioner Gibbons	Aye
Commissioner Matthias	Aye
Commissioner Tauro	Aye


EXECUTIVE SESSION ENDED/REGULAR SESSION REOPENED AT 6:03 PM

Motioned by Commissioner Thieroff
Seconded by Commissioner Economou
Unanimously approved by all Commissioners present.

ADJOURNMENT

The meeting adjourned at 6:07 p.m.
Motioned to approve by Commissioner Thieroff
Seconded by Commissioner Economou
Unanimously approved by all Commissioners present.

Respectfully submitted,



Judy Rybka
Recording Secretary