

**JERSEY CITY MUNICIPAL UTILITIES AUTHORITY  
MINUTES OF THE BOARD OF COMMISSIONERS MEETING  
JANUARY 21, 2015**

**CALL TO ORDER - 5:00 PM**

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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:**

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Chairman, Gerard M. Balmir, Jr. (arrived 5:10 p.m.)  
Commissioner, William A. Macchi  
Commissioner, Lewis W. Matthias  
Commissioner, Marie Tauro  
Commissioner, John H. Thieroff (arrived 5:42 p.m.)  
First Alternate Commissioner, Nicholas I. Economou  
Second Alternate Commissioner, Thomas M. Gibbons

**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  
John Folk, CPA, Director of Finance  
Rajiv Prakash, Engineering Department  
Elmer Andal, Finance Department  
Jerome A. Harris, PE, PP, CME Associates  
Michael McClelland, PE, PP, CME, CME Associates  
Paul J. Mourt, PE, Hatch Mott MacDonald  
John Hroncich, PE, United Water

**FLAG SALUTE**

**PUBLIC COMMENT** – No public comment

**APPROVAL OF MINUTES**

Approval of minutes of the December 29, 2014 Commissioners Meeting

Motioned to approve by Commissioner Matthias

Seconded by Commissioner Economou

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

**RESOLUTIONS**

**Resolution 1/15/1** authorizing transfer of funds for sewer operations

Motioned to approve by Commissioner Macchi

Seconded by Commissioner Matthias

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

**Resolution 1/15/2** authorizing payments of audited claims for sewer operations

Motioned to approve by Commissioner Matthias

Seconded by Commissioner Gibbons

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

**Resolution 1/15/3** authorizing transfer of funds and payments of audited claims for water operations

Motioned to approve by Commissioner Economou

Seconded by Commissioner Gibbons

Roll call vote: Commissioner Gibbons	Aye
Commissioner Economou	Aye
Commissioner Macchi	Aye

Commissioner Tauro           Aye  
Commissioner Matthias       Aye

**Resolution 1/15/4** authorizing cash disbursements

Motioned to approve by Commissioner Gibbons

Seconded by Commissioner Matthias

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

**Resolution 1/15/5** authorizing payments from the capital improvement, project and note funds

Motioned to approve by Commissioner Gibbons

Seconded by Commissioner Economou

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

**Resolution 1/15/6** authorizing the execution of certain agreements in connection with a pipeline project to provide sewer and water services to Liberty Island

Motioned to approve by Commissioner Matthias

Seconded by Commissioner Economou

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

**Resolution 1/15/7** amending contract for professional engineering services contract with Hatch Mott MacDonald, Inc. for construction administration and resident engineering observation services for 84 inch Duncan Avenue outfall

Motioned to approve by Commissioner Gibbons

Seconded by commissioner Matthias

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

**Resolution 1/15/8** authorizing change orders number 1 to 6 for MMREF expenditure for emergency replacement of water main in Second Street

Motioned to approve by Commissioner Macchi

Seconded by Commissioner Economou

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

**Resolution 1/15/9** authorizing the qualification of firms for special/conflict counsel services contracts

Commissioner Gibbons noted that justification was clear for Riker, Danzig but unclear regarding the other firms.

Mr. Borin explained this is to establish a pool of special/conflict counsel for the MUA. Selections would be made on a case-by-case basis and there is no guarantee of work. The Authority has used conflict and special counsel in the past. Riker, Danzig et al is currently working on outstanding/ongoing litigation. The Cleary firm is working on several matters and has experience in certain areas of workers compensation. Other firms can be selected if there is a conflict and/or used on as needed basis.

Mr. Becht added that in the past JCMUA had regular counsel and special counsel for workers compensation as well as bond counsel. "This is traditional for the MUA."

Commissioner Macchi asked if any of these firms have done business with the City.

Mr. Becht explained that firms are vetted in advance and required to complete a disclosure.

Motioned to approve by Commissioner Matthias

Seconded by Commissioner Economou

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

**Resolution 1/15/10** authorizing MMREF expenditure for installation of hydrants at various locations in Jersey City

Motioned to approve by Commissioner Matthias

Seconded by Commissioner Economou

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

**Resolution 1/15/11** amending contract for professional engineering services to Remington, Vernick and Arango Engineers for design engineering and construction management services for replacement of common sewer with sewer mains on Trenton Street between Chestnut and Waldo Avenue

Motioned to approve by Commissioner Economou  
 Seconded by Commissioner Matthias

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

**Resolution 1/15/12** amending professional engineering services contract with Hatch Mott MacDonald, Inc for design and construction administration for sodium permanganate storage and feed system at the lower gate house at Boonton Dam

Commissioner Gibbons questioned paragraph three of Hatch Mott MacDonald's January 12, 2015 letter to Rajiv Prakash mentioning a \$20,000 construction budget.

Mr. Prakash explained that originally the \$20,000 for construction was considered adequate. However, certain design changes were made and it was necessary to increase the budget.

Motioned to approve by Commissioner Matthias  
 Seconded by Commissioner Macchi

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

**Resolution 1/15/13** approving award of a contract to Carson Corporation for construction services in connection with a pipeline project to provide sewer and water services to Liberty Island

Mr. Borin introduced Mr. Paul Mourt of Hatch Mott MacDonald and asked him to brief the Board on the project and the contract being proposed tonight.

Mr. Mourt explained the National Park Service wishes to upgrade the water and sewer services to Liberty Island. The project has been under consideration since 2012 and three (3) bids were received in September 2013 with a wide range in pricing. The low bidder is located in New Jersey, is familiar with the area and has performed drill work in the New York area. Hatch Mott MacDonald has worked with this contractor in the past and the contractor has “drilled through this strata before.” The other bidders are all general contractors who would have to subcontract out the specialty work. The MUA will receive a management fee from the Park Service for “hard and soft” costs. The fee could result in approximately \$800,000 in revenue to the Authority.

Mr. Becht further explained the MUA would receive a 10 percent fee and a good deal of exposure. Congress has authorized funding for this project, which is historic for State and Federal governments as well as the MUA. “They will take ownership and we get a percentage. This is a win for the MUA.”

Commissioner Gibbons asked if there could be risks concerning payment.

Per Mr. Borin, contractors will bill the MUA and the MUA will then submit an electronic invoice with approval expected within 15-20 days. Funds will come through the JCMUA to the contractor.

Motioned to approve by Commissioner Macchi

Seconded by Commissioner Economou

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

**Resolution 1/15/14** authorizing construction oversight services in connection with the project to provide sewer and water services to Liberty Island

Mr. Borin explained this is a late Resolution in connection with the Liberty Island project and was discussed in today’s Operations Committee meeting. Hatch Mott MacDonald has been retained to perform construction design and permitting for Phase 3 construction and oversight. He advised that the Executive Director received a communication from the National Park Service requesting there be no delays. The project needs to move forward to ensure construction will be complete by Memorial Day 2015.

Mr. Mourt added there have been delays since September 2013 to now because approval to work in Liberty State Park was needed from the State of New Jersey.

Commissioner Macchi discussed the original intent of Liberty State Park as a “passive” space and his hopes that “no other agency could change that.”

Mr. Becht explained this is an on-going project that is important to all. “This

Administration understands it needs to move forward.”

Motioned to approve by Commissioner Matthias

Seconded by Commissioner Economou

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

**COMMUNICATIONS** – No

**EXECUTIVE DIRECTOR’S REPORT** – Will report in Executive Session.

**COMMITTEE REPORTS** – No reports

**COUNSEL REPORT** - Will report in Executive Session.

**UNFINISHED BUSINESS**

Commissioner Gibbons recommended the issue of JCPD traffic control costs be carried over to this category and recalled a proposed letter and ordinance discussed in previous Commissioners meetings.

Per Mr. Becht, Commissioner Thieroff will address this issue. He requested it be carried over one more month.

Chairman Balmir recalled it was decided at a previous Commissioners meeting that moving forward with the letter and ordinance would take place through the Operations Committee.

Commissioner Thieroff advised that he has had some communications with Administration.

Commissioner Gibbons also recalled the MUA’s policy on separation of storm water for reducing CSO events and suggested this is “something to look into.”

Mr. Becht advised the Authority is fully compliant with the DEP and USEPA. The MUA has a limited budget and this may need to be addressed with funding from grants.

Commissioner Gibbons recommended a study be conducted of areas that experience flooding.

Mr. Haytas explained the Authority needs to address common sewers as a priority. While regular maintenance is performed they are old and “will go soon.” Common sewers are a sizeable issue which requires attention before efforts can then be focused on

combined sewers. The program is on-going and money will be budgeted to take the sewer off line and tie into public right of way sewer.

Commissioner Macchi asked the cost of the CSO project.

Mr. Haytas explained each net is \$210.00 and each facility has either four, six or eight nets.

### **NEW BUSINESS**

Commissioner Gibbons discussed designated emergency projects and noted many emergency projects last month. The Authority would benefit from being proactive rather than reactive with regard to emergencies. He recommended reviewing the previous year for number and dollar amount of each emergency category, "tightening" the definition of an emergency and setting goals for improvement. He further recommended a monthly tracking report be submitted to the Operations Committee and/or Board of Commissioners.

Mr. Becht explained that he, Mr. Carr, Mr. Haytas and Mr. Borin are all involved in determining if an emergency condition exists. "Many start at City hall and with constituents." The Authority does adhere to rules/guidelines set forth by purchasing and legal counsel when declaring an emergency. There is a capital budget for water and sewer and a five year capital plan. The MUA understands it is responsible to the citizens of Jersey City. "We control the purse strings and do not want to spend money if it's not necessary but residents cannot be left without water or sewage in their basements."

Mr. Haytas briefly discussed the 54 inch force main emergency at the light rail and the need to "rehabilitate prior to collapse." The MUA is moving forward to reline pipe before it collapses.

Commissioner Gibbons recalled last month's Resolution calling for repair of a 10 inch section of the 54 inch force main. Additional sections were repaired that may not have been an emergency and could have been taken out of the project and put out for bid.

Mr. Becht explained the Authority met with the USEPA and DEP and took a proactive position in a true emergency. "We would have been subject to fines."

Commissioner Thieroff noted that many times once a hole is open it is determined that additional work is needed. "We should talk about what's an emergency and what is not" before more work is done."

Mr. Becht explained the Authority looks at how to keep the citizens of Jersey City safe and address any problems immediately.

Commissioner Balmir stated it's clear there are times when the Authority must declare an emergency but a proactive rather than reactive approach would be preferred.



Commissioner Gibbons discussed a golf course abatement on last month's agenda and suggested the Authority consider ways to implement a development impact fee, possibly a charge the City could impose.

Mr. Borin stated, "We'll look into this."

Per Mr. Becht, this was pursued but "legislation is still in committee."

**EXECUTIVE SESSION** – Entered Executive Session at 6:05 p.m. to discuss matters relating to collective bargaining agreements, litigation, negotiations and attorney-client privilege.

Motioned to approve by Commissioner Thieroff

Seconded by Commissioner Matthias

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

**ADJOURNMENT**


The meeting adjourned at 7:00 p.m.

Motioned to approve by Commissioner Thieroff

Seconded by Commissioner Macchi

Unanimously approved by all Commissioners present.

Respectfully submitted,

  
Judy Rybka  
Recording Secretary