

**JERSEY CITY MUNICIPAL UTILITIES AUTHORITY  
MINUTES OF THE BOARD OF COMMISSIONERS MEETING  
SEPTEMBER 23, 2015**

**CALL TO ORDER – 5:00 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:**

Chairwoman, Marie Tauro  
Commissioner, William Macchi  
Commissioner, Lewis W. Matthias  
Commissioner, Marcos Vigil  
First Alternate Commissioner, Nicholaos Economou

**MEMBERS ABSENT:**

Second Alternate Commissioner, Thomas M. Gibbons

**ALSO PRESENT:**

Daniel Becht, Executive Director  
Judy Rybka, Recording Secretary  
Frank J. Borin, Esquire, DeCotiis, FitzPatrick & Cole, LLP  
Richard Haytas, PE, Senior Engineer/Infrastructure Maintenance Supervisor  
John Folk, CPA, Director of Finance  
Rajiv Prakash, Engineering Department  
Elmer Andal, Finance Department  
John Hroncich, United Water  
Jerome A. Harris, PE, PP, CME Associates  
Michael McClelland, PE, PP, CME Associates

**FLAG SALUTE**

**PUBLIC COMMENT** – No public comment

**APPROVAL OF MINUTES**

Approval of minutes of the August 26, 2015 Commissioners meeting  
Minutes arrived late and Commissioners did not have time to review prior to this evening's meeting. August minutes will be approved at the October 28, 2015 meeting.

**CONSENT AGENDA**

**Resolution 9/15/1** authorizing transfer of funds for sewer operations

**Resolution 9/15/2** authorizing payments of audited claims for sewer operations

**Resolution 9/15/3** authorizing transfer of funds and payments of audited claims for water operations

**Resolution 9/15/4** authorizing cash disbursements

**Resolution 9/15/5** authorizing payments from the capital improvement, project and note funds

**Resolution 9/15/6** authorizing the award of a contract for professional engineering services to Arcadis U.S., Inc. for preparing the required planning and regulatory work plans for the NJDEP of updating the hydraulic model of the CSO system to comply with the JCMUA 2015 CSO permit

**Resolution 9/15/7** authorizing the adoption of the Hudson County Multi-Jurisdictional Hazard Mitigation Plan as the official plan of the JCMUA

**Resolution 9/15/8** authorizing an amendment to the contract for rate study services with Raftelis Financial Consultants

**Resolution 9/15/9** authorizing expenditures for Sensus Meters and associated hardware

**Resolution 9/15/11** authorizing emergency MMREF expenditure for cured-in-place pipe lining of existing water mains in Newark Avenue between Tonnelle Avenue and Summit Avenue

**Resolution 9/15/12** authorizing reimbursement of connection fee to Journal Square Estates LLC for replacement of 6 inch water main in Skillman Avenue

**Resolution 9/15/13** authorizing MMREF expenditure for upgrades at the Troy Street water storage tank

**Resolution 9/15/14** authorizing MMREF expenditure for leak survey of water mains in Jersey City

**Resolution 9/15/15** authorizing MMREF expenditure for semi-annual maintenance of centrifuges at the water treatment plant in Boonton

**Resolution 9/15/16** authorizing MMREF expenditure for cured-in-place pipe lining of existing water mains in Newark Avenue between Tonnelle Avenue and James Street

**Resolution 9/15/17** authorizing amendment to professional engineering services contract with AECOM for rehabilitation of concrete pipe sections of aqueduct

**Resolution 9/15/18** authorizing change order number 4 for emergency condition on Fourth Street between Coles Street and Brunswick Street, and on Monmouth Street between Fourth and Fifth Streets

Motioned to approve by Commissioner Vigil

Seconded by Commissioner Matthias

Roll call vote: Commissioner Economou	Aye
Commissioner Vigil	Aye
Commissioner Macchi	Aye
Commissioner Matthias	Aye
Chairwoman Tauro	Aye

**DEFERRED AGENDA**

**Resolution 9/15/10** supplemental bond resolution authorizing the issuance of not to exceed \$53,500,000 water revenue bonds, Series 2016 of the Jersey City Municipal Utilities Authority

Mr. Folk explained this is through the New Jersey Environmental Infrastructure Trust. While the agency does receive some fees, including a trustee fee of approximately \$2,000 per year, the big advantage is that it's a State program and the interest rate is three quarters of one percent. Additionally, it helps keep down the cost of the MUA's own bond counsel fees. Mr. Folk advised this is reviewed from time to time and currently the interest rate in the market place would be three to four percent. "We've had much success with the Infrastructure Trust and we'll go through them for future bonding."

Motioned to approve by Commissioner Economou

Seconded by Commissioner Vigil

Roll call vote: Commissioner Economou	Aye
Commissioner Vigil	Aye
Commissioner Macchi	Aye
Commissioner Matthias	Aye
Chairwoman Tauro	Aye

**COMMUNICATIONS** – None

project, involving installation of new water and sewer lines. The project will generate approximately \$800,000 for the MUA in management fees. The project is on track and expected to be completed sometime between now and November 2015. Upon completion, a press conference will be scheduled.

Commissioner Macchi asked about collection of "fees in terms of the hurricane" (Superstorm Sandy).

Mr. Becht explained claims have been submitted to the insurance company and application has been made to FEMA. "We've been reimbursed for the most part and probably more than others."

Mr. Folk added the consultants were very helpful in this regard and the MUA "was able to pull in \$3 million" (+/-). Approximately five claims were submitted and checks are received sporadically. "We're still working on some things but received much of what we put in for".

Mr. Haytas noted the MUA is still working with representatives from FEMA.

Chairwoman Tauro moved to the topic of salary and overtime.

Mr. Becht explained the policies covering salaries/overtime are under review. Overtime will be limited to employees making \$100,000 per year or less. Anyone earning more than \$100,000 per year will not be eligible for overtime compensation.

Mr. Borin continued that policy language is being reviewed to address this issue and will be incorporated into the Personnel Manual along with the larger revision currently underway. The policy will allow for merit based bonus with the recommendation of the Executive Director and approval by the Board of Commissioners. He advised that management is not eligible for overtime. "We must comply with the law."

Commissioner Macchi recalled in the past salaries for MUA employees may have been lower than employees of other City agencies.

Mr. Becht recalled there were complaints along these lines in past years and adjustments were made. Salaries and COLA were increased and merit raises offered. Now, the MUA may appear "too generous. We are fair and honest." The Authority is not below other agencies in terms of compensation. Mr. Becht explained the work force has been reduced both in Administration and rank and file, and currently the MUA has 115 employees. The proposed new overtime policy will place controls on overtime compensation. However, employees can come before the Board of Commissioners to request overtime compensation, and the Board can overrule policy. Additionally, the MUA may implement a policy to limit increases and/or allow for additional oversight.

Commissioner Vigil asked if MUA policies dealing with compensation were reviewed by the State Comptroller's Office during its recent performance evaluation.

Mr. Becht explained the State Comptroller's Office has asked the MUA to develop a new policy and procedure manual with policies concerning oversight of annual increases as well as other new and/or revised policies/procedures. The revised manual will be brought before the Board of Commissioners and Administration. Merit increases for both Administration and rank and file will be covered in the new manual, and the Board of Commissioners will have additional oversight.

Commissioner Vigil asked if the Comptroller's office is done with its review of salaries and overtime.

Mr. Borin explained they are in the process of preparing an outline of their report. One more exit conference will be held before the draft report. They have not requested additional information in the last two weeks or so although there were some follow up questions concerning vendor payments. This is the Comptroller's Office first performance review of the MUA .

Mr. Becht added this is a routine audit/performance review and the MUA was very cooperative.

Mr. Borin advised the Comptroller's Office has the right to conduct a personnel evaluation of State, County and local government entities. They also look at debt loads. A final report containing recommendations will be issued, and they will return in approximately a year/year and a half to confirm their recommendations have been implemented.

Commissioner Vigil asked if the MUA's draft policies on compensation were reviewed with/compared to similar policies of other New Jersey autonomous agencies.

Mr. Borin replied, "Yes. I used my experience with other agencies and used that information to work on JCMUA's policies and bylaws."

**COMMITTEE REPORTS** – No reports

**GENERAL COUNSEL REPORT** – Nothing further to report.

### **ITEMS OF UNFINISHED BUSINESS**

#### **Unfinished Business Agenda/Action Item(s) for September 2015 Commissioners meeting:**

1. Change order chart.

**ITEMS OF NEW BUSINESS** – Mr. Hroncich, United Water, distributed a graph report titled, "Rule Curve Jersey City Reservoirs Combined" (attached to/part of these minutes) and explained the graph. Rainfall has been approximately two inches or less per month since January 2015. The average is 3 to 3.5 inches. In June, rainfall was approximately 6 inches. Reservoirs are at 65 percent which is in normal range.

Commissioner Macchi asked the process for sharing water if reservoirs fall below 65%.

Mr. Hroncich explained when a draught is declared, reservoirs will be balanced so all consume the same amount of water. "The State is keeping an eye on this."

**EXECUTIVE SESSION** – No Executive Session

**ADJOURNMENT**


The meeting adjourned at 5:37 p.m.

Motioned to approve by Commissioner Vigil

Seconded by Commissioner Economou

Unanimously approved by all Commissioners present.

Respectfully submitted,

  
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Judy Rybka  
Recording Secretary