

**JERSEY CITY MUNICIPAL UTILITIES AUTHORITY
MINUTES OF THE BOARD OF COMMISSIONERS MEETING
AUGUST 26, 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:

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

MEMBERS ABSENT:

Chairman, Gerard M. Balmir
Commissioner, William A. Macchi
Commissioner, Marcos Vigil

ALSO PRESENT:

Judy Rybka, Recording Secretary
Frank J. Borin, Esquire, DeCotiis, FitzPatrick & Cole, LLP
Richard Haytas, PE, Senior Engineer/Infrastructure Maintenance Supervisor
Kevin Carr, Purchasing Agent
John Folk, CPA, Director of Finance
Rajiv Prakash, Engineering Department
John Hroncich, United Water
Jerome A. Harris, PE, PP, CME Associates

FLAG SALUTE

PUBLIC COMMENT – No public comment

APPROVAL OF MINUTES

Approval of minutes of the June 24, 2015 Commissioners meeting

Motioned to approve by Commissioner Matthias

Seconded by Commissioner Gibbons

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

Approval of minutes of the July 22, 2015 Commissioners meeting

Motioned to approve by Commissioner Matthias

Seconded by Commissioner Gibbons

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

CONSENT AGENDA

Resolution 8/15/1 authorizing transfer of funds for sewer operations

Resolution 8/15/2 authorizing payments of audited claims for sewer operations

Resolution 8/15/3 authorizing transfer of funds and payments of audited claims for water operations

Resolution 8/15/4 authorizing cash disbursements

Mr. Folk advised of two errors. Sewer disbursements - the correct amount for check number 5536 is \$400.00, and the correct amount for check number 5537 is \$134,362.18. Corrected Resolution 8/15/4 was distributed prior to start of this evening's meeting.

Resolution 8/15/5 authorizing payments from the capital improvement, project and note funds

Resolution 8/15/8 authorizing change order number one for MMREF expenditure for installation of hydrants at various locations in Jersey City

Resolution 8/15/9 authorizing change order number two for MMREF expenditure for replacement of water main in Fourth Street, between Washington Boulevard and New Jersey Transit tracks

Resolution 8/15/10 authorizing change order numbers 6 and 7 for MMREF expenditure for sodium permanganate storage and feed system

Resolution 8/15/11 authorizing change order number eight for the rehabilitation of Split Rock Reservoir Dam, JCMUA contract number SRD-2013-14-W

Resolution 8/15/12 amending contract for professional engineering services contract with T & M Associates for flood hardening improvements to pump stations 1, 2 and 3B

Resolution 8/15/13 approving correction to change order number two for Sixth and Tenth Street sewer rehabilitation and closing out contract; JCMUA contract number STSRP-2012-12; NJEIT project number S340928-10

Resolution 8/15/14 authorizing the declaration of an emergency repair of collapsed sewer at the intersection of Communipaw Avenue and Belvidere Avenue

Resolution 8/15/15 authorizing the award of a contract for professional engineering services to T & M Associates to provide construction administration services for Journal Square North water main renewal project

Resolution 8/15/16 authorizing MMREF expenditure for replacement of six inch water main in New York Avenue between Ravine Avenue and New Jersey Transit tracks

Resolution 8/15/18 awarding contract for provision of providing vehicle collision repairs; JCMUA contract number VCR-2015-13

Resolution 8/15/19 approving a fully insured workers' compensation insurance policy

Resolution 8/15/20 authorizing the award of a contract for professional engineering services to Civil Dynamics, Inc. to provide engineering services for the installation of four (4) sluice gates at the upper gate house of the Boonton Dam

Resolution 8/15/21 awarding contract for the provision of providing replacement, repair, service and parts for package and storm water pump stations up to 60 HP motors, mixers, pumps, control panels and associated equipment; JCMUA contract number PSWMM-2014-43

Resolution 8/15/24 awarding contract for provision of repair service and parts for combination sewer cleaning machines; JCMUA contract number RPSC-2015-14

Mr. Folk advised the correct amount of the bid submitted by Hudson Machinery is \$72,800.00. Corrected Resolution 8/15/24 was distributed prior to the start of this evening's meeting.

Resolution 8/15/25 authorizing final quantities change order number four for contract for Sip Avenue sewer separation project and closing out contract; JCMUA contract number SA-2013-48

Resolution 8/15/26 (add on) appointing Lewis W. Matthias as Board secretary

Motioned to approve by Commissioner Gibbons
Seconded by Commissioner Economou
Roll call vote: Commissioner Economou Aye
 Commissioner Gibbons Aye
 Commissioner Matthias Aye
 Commissioner Tauro Aye

DEFERRED AGENDA

Resolution 8/15/6 authorizing change order number four for Aqueduct Rehabilitation – Phase II; JCMUA project number AQR-2010-27-W

Resolution 8/15/7 authorizing change order number one for Aqueduct Rehabilitation – Phase II; JCMUA project number AQR-2013-50

Commissioner Gibbons explained his question applied to both Resolutions 8/15/6 and 8/15/7 and asked if there have been any negotiations on the 4 percent escalation cost.

Mr. Prakash explained 4 percent over a two year period was reviewed and seems “reasonable.” A letter from the manufacturer stating the grout cannot be used was requested and received. Mr. Prakash added that it was necessary to rely on other purveyors for water because the plant was shut down.

Mr. Carr advised an escalation clause, based on a certain number, will be built into contracts in the future.

Commissioner Gibbons suggested obtaining reference sources for averages. “We need some basis for the escalation.”

Motioned to approve by Commissioner Matthias
Seconded by Commissioner Economou
Roll call vote: Commissioner Economou Aye
 Commissioner Gibbons Aye
 Commissioner Matthias Aye
 Commissioner Tauro Aye

Resolution 8/15/17 authorizing award of contract to D.P.C.S.S. to perform 54 inch diameter force main (survey markout) as a non-fair and open contract pursuant to N.J.S.A. 19:44-20.4 Et. Seq.

Commissioner Gibbons asked the rationale for requiring the mark out.

Mr. Haytas explained there is a 1,300 linear foot force main from the East Side to the West Side. The MUA is required by law to mark out anything under pressure but does not have the data or equipment to provide the markout.

Motioned to approve by Commissioner Economou

Seconded by Commissioner Gibbons

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

Resolution 8/15/22 authorizing the award of a contract for General Counsel services

Mr. Borin advised an RFQ was publicly noticed in two newspapers and on the JCMUA website. The contract period is September 1, 2015 through August 31, 2016. Per Mr. Borin, item number 2 under the “Now, Therefore” paragraph should indicate a not-to-exceed amount of \$350,000 (not \$450,000).

Commissioner Gibbons noted there was mention of bond counsel services in Resolution 8/15/22.

Mr. Borin explained the RFQ noted that submittals should provide information about bond counsel services.

Commissioner Tauro then asked, “Is Riker, Danzig still doing work for us?”

Mr. Borin explained Riker, Danzig et al is defending the MUA in litigation in Morris County in connection with a dispute with Rockaway Valley Sewerage Authority. Settlement discussions have taken place, but the matter is very complicated, with approximately ten other towns/municipalities involved. Per Mr. Borin, Mr. DeHope of Riker, Danzig will be asked to provide a status update at next month’s Commissioners meeting.

Motioned to approve by Commissioner Matthias

Seconded by Commissioner Economou

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

Resolution 8/15/23 authorizing an amendment to the contract for General Counsel services with DeCotiis, Fitzpatrick & Cole, LLP

Per Mr. Borin this is to authorize an increase for last year from \$350,000 to \$450,000. Additional work, now complete, was required earlier in the contract and the amount was exceeded. Mr. Borin noted that the cost for legal services was significantly below the prior year. “We’ll be more diligent and monitor the contract and let the Board know when we’re at the 80 percent mark.”

Commissioner Gibbons asked if \$170 per hour is the correct rate and remarked, “very reasonable.”

Mr. Borin confirmed the \$170 per hour rate is correct.

Commissioner Gibbons suggested that if there is “enough legal work to support a full time person year after year,” the Authority might consider in house counsel.

Mr. Borin explained that some work can be done by in house counsel, but a good deal of the work is specialty work (environmental and litigation) and would still require the services of an outside firm.

Motioned to approve by Commissioner Gibbons

Seconded by Commissioner Matthias

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

COMMUNICATIONS – None

EXECUTIVE DIRECTOR’S REPORT – No report

COMMITTEE REPORTS – No reports

GENERAL COUNSEL REPORT – General Counsel will report in executive session on a matter of attorney client privilege.

ITEMS OF UNFINISHED BUSINESS

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

1. Change order chart.

ITEMS OF NEW BUSINESS – Mr. Carr advised his Qualified Purchasing Agent certification has been renewed by the State of New Jersey.

ENTERED EXECUTIVE SESSION 5:32 PM

Motioned by Commissioner Matthias

Seconded by Commissioner Economou

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

EXECUTIVE SESSION ENDED/REGULAR SESSION REOPENED 5:46 PM

Motioned by Commissioner Gibbons

Seconded by Commissioner Economou

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

ADJOURNMENT

The meeting adjourned at 5:47 p.m.

Motioned to approve by Commissioner Matthias

Seconded by Commissioner Gibbons

Unanimously approved by all Commissioners present.

Respectfully submitted,



Judy Rybka
Recording Secretary