

**JERSEY CITY MUNICIPAL UTILITIES AUTHORITY
MINUTES OF THE BOARD OF COMMISSIONERS MEETING
APRIL 27, 2016**

CALL TO ORDER – 5:00 PM

In compliance with the Sunshine Laws, General Counsel 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 Maureen C. Hulings
Commissioner, William Macchi
Commissioner, Marcos Vigil
Commissioner, Jeannine Zampella
First Alternate Commissioner, Nicholas Economou
Second Alternate Commissioner, Thomas M. Gibbons

ALSO PRESENT:

Daniel Becht, Executive Director
Judy Rybka, Recording Secretary
Frank Borin, Esquire, DeCotiis, FitzPatrick & Cole, LLP
John Folk, CPA, Director of Finance
Rajiv Prakash, Engineering Department
Kevin Carr, Purchasing Agent
Krystyna Pawlowski, Administrative Assistant
Jerome A. Harris, PE, PP, CME Associates
Michael McClelland, PE, PP, CME Associates
William Katchen, CPA
Steven Wielkocz, Auditor, FWCC
George Whelan, 37 College Drive, Jersey City, NJ 07305

Prior to flag salute, Commissioner Hulings introduced Commissioner Jeannine Zampella, the Authority's newest Commissioner. Commissioner Zampella was recommended to the Board by Commissioner Hulings and the Mayor. Commissioner Macchi recalled Commissioner Zampella's father, "a true politician and a true gentleman."

Commissioner Zampella was then sworn in by Mr. Becht.

FLAG SALUTE

Following flag salute, General Counsel noted that there was a vacancy in the Chair position and requested a nomination to fill the position.

Commissioner Macchi nominated Commissioner Tauro

The nomination was seconded by Commissioner Vigil

There were no further nominations.

Roll call vote: Commissioner Hulings	Nay
Commissioner Zampella	Abstention
Commissioner Vigil	Aye
Commissioner Macchi	Aye
Commissioner Tauro	Aye

Commissioner Tauro is the new Chair of the Board of Commissioners of the Jersey City Municipal Utilities Authority for the 2016/17 term.

General Counsel requested a nomination for the position of Secretary.

Chairwoman Tauro nominated Commissioner Gibbons

The nomination was seconded by Commissioner Hulings

There were no further nominations.

Roll call vote: Commissioner Hulings	Aye
Commissioner Zampella	Aye
Commissioner Vigil	Aye
Commissioner Macchi	Aye
Chairwoman Tauro	Aye

Commissioner Gibbons is the new Secretary of the Board of Commissioners of the Jersey City Municipal Utilities Authority for the 2016/17 term.

PUBLIC COMMENT – No public comment

APPROVAL OF MINUTES

Approval of minutes of the March 23, 2016 Commissioners meeting

Commissioner Hulings noted the March minutes, which included a revision to the February 24, 2016 minutes, still do not accurately reflect the vote for Board Chair taken at the February meeting.

During the February 24, 2016 reorganization meeting, Commissioner Tauro was nominated for the position of Board Chair. The nomination was seconded and a roll call vote was taken. Commissioner Tauro was not elected to the position of Chair of the Board of Commissioners.

General Counsel then requested another nomination for Board Chair. Commissioner Hulings was nominated for the position of Board Chair and the nomination was seconded. There were no further nominations. A roll call vote was taken and Commissioner Hulings was approved for the position of Chair of the Board of Commissioners for the 2016/17 term.

Motioned to approve the March 23, 2016 minutes as amended above by Commissioner Macchi
Seconded by Commissioner Gibbons

Roll call vote: Commissioner Hulings	Aye
Commissioner Zampella	Abstention
Commissioner Vigil	Abstention
Commissioner Macchi	Aye
Chairwoman Tauro	Aye
Chairwoman Tauro	Aye

Resolution 4/16/10 PULLED authorizing the award of a contract for professional engineering services to HDR Engineering, Inc. to provide design and construction administration services for improvements to Brookdale Gatehouse in Clifton

Per General Counsel, Resolution 4/16/10 is pulled from the agenda.

CONSENT AGENDA

Resolution 4/16/1 authorizing transfer of funds for sewer operations

Resolution 4/16/2 authorizing payments of audited claims for sewer operations

Resolution 4/16/3 authorizing transfer of funds and payments of audited claims for water operations

Resolution 4/16/4 authorizing cash disbursements

Resolution 4/16/5 authorizing payments from the capital improvement, project and note funds

Resolution 4/16/6 awarding a contract for Third Street and Coles Street sewer replacement project; JCMUA contract number TCSC-2015-28

Resolution 4/16/10A revised resolution authorizing the award of a contract for professional engineering services to HDR Engineering, Inc. to provide design and construction administration services for improvements to Brookdale Gatehouse in Clifton

Resolution 4/16/11 authorizing MMREF expenditure for construction of dechlorination system at Third River overflow at the Jersey City water supply aqueduct

Resolution 4/16/12 extending contract for rental, cleaning and maintenance of employee uniforms for one (1) year pursuant to and in accordance with N.J.S.A. 40A:11-15; JCMUA contract number EUS-2014-14

Resolution 4/16/13 authorizing purchase of four (4) 4X4 crew cab pickups using the New Jersey State Cooperative Purchasing Program

Resolution 4/16/14 extending contract for 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 for one (1) year pursuant to and in accordance with N.J.S.A.40A:11-15; JCMUA contract number RTMSP-2014-48

Resolution 4/16/15 accepting bid for providing repair service and parts for television/video sewer inspection equipment, contract number TVS-2016-10

Resolution 4/16/16 authorizing late submission of 2016 water and sewer budgets

Resolution 4/16/17 authorizing extension of contracts for aqueduct rehabilitaton for Phase 2 and Phase 3

Resolution 4/16/18 authorizing contract with A1 Equipment Service and Repair, Inc. for overhead crane repairs as a non-fair and open contract pursuant to N.J.S.A.19:44A-20.4 Et Seq

Motioned to approve by Commissioner Hulings

Seconded by Commissioner Vigil

Roll call vote: Commissioner Hulings	Aye
Commissioner Zampella	Aye
Commissioner Vigil	Aye
Commissioner Macchi	Aye
Chairwoman Tauro	Aye

DEFERRED AGENDA

Resolution 4/16/7 authorizing franchise payment to the City of Jersey City

Mr. Steven Wielkocz, Auditor, discussed Resolution 4/16/7 concerning the \$14 million franchise fee payment to the City of Jersey City. An audit was conducted in 2014 for year ending December 31, 2013 and it was established that the payment was based on a 2003 revision to the franchise agreement. The fee changed to \$14 million for years 2003, 2004 and 2005. Payment was made for 2003 and 2004 but not for 2005. The item was moved into the debt service category. In Mr. Wielkocz' opinion, this is a current liability due and payable to the City.

Commissioner Gibbons asked why the payment was not made in 2005.

Mr. Becht explained the MUA did not have funds at the time to make the payment, and Mr. Folk agreed that the “money was not readily available” at that time and there was no demand from the City for the payment.

Commissioner Macchi, “Where does the State come in if a \$14 million payment isn’t made.”

Mr. Wielkocz explained it would be “picked up only on the City budget through a State review.”

Commissioner Gibbons asked, “Why are we just finding out about it now?”

Mr. Wielkocz explained that it was discussed with members of the Board at the end of 2014.

Commissioner Gibbons asked Mr. Folk, “Do you agree?” Mr. Folk replied, “Yes.”

Commissioner Gibbons asked if this was reviewed by the Financial Oversight and Audit Committee.

Commissioner Hulings explained it was discussed and the committee was made aware there was no action by the Board in the past.

Mr. Borin then advised the Financial Oversight Committee is short one member. Commissioner Hulings is currently the only member of this Committee.

Mr. Becht advised certain Commissioners only will vote on this Resolution due to conflict of interest.

Motioned to approve by Commissioner Gibbons

Seconded by Commissioner Macchi

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

Resolution 4/16/8 authorizing 2016 sewer fund budget **AND**

Resolution 4/16/9 authorizing 2016 water fund budget

Commissioner Gibbons questioned information contained in section N-4.

Mr. Folk explained the information could not be filled out without Commissioners Vigil and Zampella. It will be filled out before it’s sent to the State.

Commissioner Gibbons questioned days of accumulated absences on page N-6.

Per Mr. Folk, this is vacation carry over.

Commissioner Gibbons questioned item 4, page CB-2. #4 pertaining to debt service.

Mr. Folk explained this is a “general statement.” The budget this year is covered by the current rate structure. No increase in rate this year and unofficially next year as well. It will be closer to year’s end when the MUA can determine this year’s capital plan under the current rate.

Motioned to approve Resolution 4/16/8 and Resolution 4/16/9 by Commissioner Gibbons

Seconded by Commissioner Hulings

Roll call vote: Commissioner Hulings	Aye
Commissioner Zampella	Aye
Commissioner Vigil	Aye
Commissioner Macchi	Aye
Chairwoman Tauro	Aye

COMMUNICATIONS – None

EXECUTIVE DIRECTOR REPORT – Mr. Becht reported Earth Day events were held on Saturday, April 23. MUA staff and camera truck were present. 1,000 seed packets for planting and printed information were distributed. Raffles were held for rain barrels. The event was well attended and a major success. “We’re looking forward to next year.”

Chairwoman Tauro asked the progress of union negotiations and specifically asked about employee increases.

Mr. Becht advised good faith negotiations are ongoing.

Mr. Borin advised if any further discussion of this matter is required, it should take place in Executive Session. He recommended Mr. Becht conclude negotiations and then report to the Board at that time.

Commissioner Macchi recalled a discussion some months ago concerning JCMUA employees being “loaned” to Public Works.

Mr. Becht explained MUA employees sometimes perform snow removal and certain other work to keep the City operating safely. The MUA supervises and compensates all its employees.

COMMITTEE REPORTS – There were no committee reports. Recalling the one member Financial Oversight and Audit Committee, Mr. Borin requested a motion to add a second member to the Committee, and Commissioner Zampella was recommended to the position.

Motioned to approve by Commissioner Vigil

Seconded by Commissioner Hulings

Roll call vote: Commissioner Vigil	Aye
Commissioner Macchi	Aye
Commissioner Zampella	Aye

Commissioner Hulings Aye
Chairwoman Tauro Aye

Commissioner Zampella is the second member of the Financial Oversight and Audit Committee.

COUNSEL REPORT – Per Mr. Borin, “nothing additional to report.”

Prior to agenda item Unfinished Business, Commissioner Macchi asked that the Board be made aware of any potential for conflict. Specifically, he asked about Mark DeBove.

Mr. Becht explained that Arcadis is the new name of the firm formerly known as Malcolm Pirnie, and there is “no impact on the contract” and no conflict.

ITEMS OF UNFINISHED BUSINESS

Unfinished Business Agenda/Action Item(s) for April 2016 Commissioners meeting:

1. Change order chart.

ITEMS OF NEW BUSINESS

Commissioner Gibbons discussed a City ordinance concerning street paving and asked if there is any cost sharing. With all the work going on in the City, he believes a policy should be developed to address coordination of projects and cost sharing.

Mr. Becht explained monthly meetings with City Engineering, DPW and others are being held in an effort to coordinate activities.

Mr. Prakash further explained, “Right now whoever comes last paves the street. This is not fair, and there should be more cost sharing.” The MUA is now attending monthly meetings with DPW, Engineering, and PSE&G. Going forward all agencies/facilities will work together to coordinate projects and share costs. Mr. Prakash advised that PSE&G recently paid for some paving work on Newark Avenue.

Commissioner Zampella recalled that Councilwoman Osborne broached this topic and an ordinance was passed.

Commissioner Vigil recalled that issues of last summer resulted in the establishment of “this working group.”

Prior to Executive Session, Mr. Becht advised that Mr. Haytas has recently attended some meetings at the MUA and that he may be returning to work “as early as next Monday.”

ENTERED EXECUTIVE SESSION AT 5:43 P.M.

Motioned by Commissioner Hulings

Seconded by Commissioner Gibbons

Roll call vote: Commissioner Hulings Aye
 Commissioner Zampella Aye
 Commissioner Vigil Aye
 Commissioner Macchi Aye
 Chairwoman Tauro Aye

EXECUTIVE SESSION ENDED/REGULAR SESSION REOPENED AT 5:55 P.M.

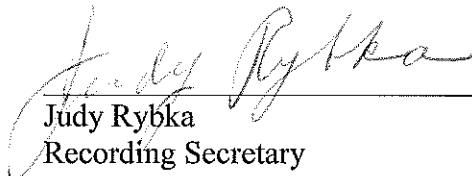
Motioned to approve by Commissioner Vigil
Seconded by Commissioner Hulings

Roll call vote: Commissioner Hulings Aye
 Commissioner Zampella Aye
 Commissioner Vigil Aye
 Commissioner Macchi Aye
 Chairwoman Tauro Aye

ADJOURNMENT

The meeting adjourned at 5:56 p.m.
Motioned by Commissioner Vigil
Seconded by Commissioner Gibbons
Unanimously approved by all Commissioners present.

Respectfully submitted,



Judy Rybka
Recording Secretary