



NEW JERSEY WATER SUPPLY AUTHORITY

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Minutes of the Meeting of the New Jersey Water Supply Authority

March 3, 2014

A regular meeting of the New Jersey Water Supply Authority was convened on March 3, 2014 at 2:00 P.M. in the Conference Room of the New Jersey Water Supply Authority's Administration Building located at 1851 Highway 31, Clinton, New Jersey.

As designated by Bob Martin, Commissioner New Jersey Department of Environmental Protection and Chair New Jersey Water Supply Authority, Fred Sickels served as Acting Chair of the meeting and called the meeting to order.

Senior Deputy Attorney General Helene P. Chudzik read the statement required by the "Open Public Meetings Act".

Executive Director Henry S. Patterson took the roll call of the Authority members.

Fred Sickels, Acting Chair	
Susan Blew	- by phone
Louis Mai	- present
Steven Picco	- by phone
Shing-Fu Hsueh	- by phone
Robert Iacullo	- absent
Ellsworth Havens	- by phone

A quorum existed for the transaction of Authority business.

Interested Parties Present:

Oleg Kostin, New Jersey American Water
Frank Falco, Middlesex Water Co. & East Brunswick Township
Frank J. Marascia and Keith Smith, City of New Brunswick
Dave Shope, Self

Authority Staff Present:

Henry S. Patterson, Executive Director
Zenona I. Puć, Executive Secretary II
Edward Buss, Chief Engineer
Beth Gates, Director Finance & Administration
Michael Citarelli, Chief Financial Officer

Paul McKeon, Manager Manasquan Reservoir System - by phone
Kenneth Klipstein, Manager, Watershed Protection Unit
Helene Chudzik, Sr. Deputy Attorney General- by phone
Amy Herbold, Senior Counsel, Authorities Unit - by phone

APPROVAL OF THE MINUTES

Acting Chair Sickels opened the meeting by asking for the approval of the minutes of the February 3, 2014 meeting. Mr. Havens moved for the approval of the minutes as prepared and this motion was seconded by Mr. Mai. The minutes of the February 3, 2014 meeting were approved by the Board.

EXECUTIVE DIRECTOR'S REPORT

Mr. Patterson noted that everyone has a copy of his report.

Mr. Patterson stated that storage in both reservoirs systems is above average for this time of year. Spruce Run is at 80 percent of capacity and Round Valley is at 96 percent of capacity. The Manasquan Reservoir is at 98.8 percent of capacity.

Mr. Patterson stated that upgrades to the Manasquan Water Treatment Plant are progressing very well.

Mr. Patterson stated that pre-public hearings regarding the FY2015 rates are scheduled for the Manasquan System on Thursday, March 6, 2014 and for the Raritan Basin System on Friday, March 7, 2014. Mr. Patterson also noted that the public hearings will be held on Thursday, April 3, 2014 for the Manasquan Reservoir System and on Friday, April 4, 2014 for the Raritan Basin System.

COMMUNICATIONS/CORRESPONDENCE

There were no items of correspondence and communications.

UNFINISHED BUSINESS

Mr. McKeon reported that the Manasquan Reservoir System is in good condition. The reservoir is above historic levels. The construction project is winding down at this point. Mr. McKeon stated that the only system to be placed in service is the filter to waste system and two of the lagoons. Mr. McKeon stated that the equalization basins and the clarifier/thickeners went into service.

Mr. Buss reported stated that everyone has a copy of his report. Mr. Buss reported that the Reservoirs are in good shape and the Canal is operating without incident. Mr. Buss stated that he has nothing else to add to his report.

Mr. Klipstein stated that everyone has a copy of his report. Mr. Klipstein stated that next week is AmeriCorps week and as part of that the NJ Watershed Ambassadors, an AmeriCorps Program, will organize volunteer cleanup events in the Delaware and Raritan. Mr. Klipstein stated that this year there is an additional event working with NJDEP enforcement to crack down on illegal dumping. Mr. Klipstein stated that the NJDEP Commissioner is scheduled to attend an event at the Blackwells Mills to highlight crackdown on illegal dumping.

NEW BUSINESS

Mr. Citarelli referred to the staff memo on the Unaudited Financial Statements for six months ending December 31, 2013. Mr. Citarelli stated that the Authority has 45 days after the close of the 6 month period to publish the report. Mr. Citarelli stated that the Authority has met its goals in terms of revenues and expenses and there are no concerns over the past six months. Mr. Citarelli referred to page 2 of the report and noted a net income of \$14,275 which was associated with damages from Tropical Storms Irene and Lee. Mr. Citarelli stated that the Annual Report has been completed and can be viewed on the Authority's website.

Mr. Buss provided the background information on the Resolution authorizing the Executive Director to amend Contract Number WSA-C13022 with Gannett Fleming, Inc. for Professional Services Required for preparing for and facilitating a Technical Review Board (TRB) to discuss the recommendations for the Round Valley Reservoir Embankments. Mr. Buss stated that the change order has two parts to it, to amend the Gannett Fleming contract and to authorize award contracts to two members of the TRB. Mr. Buss stated that by Resolution No. 2118, dated August 5, 2013, the Authority authorized execution of a contract for the 2013 Formal Inspection of the Dams, Dikes and Appurtenant Structures with Gannett Fleming for an amount of \$67,571. Mr. Buss stated that Gannett Fleming completed the 2013 Formal Inspection and provided the inspection reports for Round Valley and Spruce Run Reservoirs. Mr. Buss stated that in the report Gannett Fleming recommended that the Authority perform functionality tests on all of the piezometers on the Spruce Run Dam and the Round Valley North Dam, the South Dam and the Dike. Mr. Buss gave a detailed explanation of their findings and recommendations. Mr. Buss stated that on December 9, 2013, Authority staff recommended to the Chair, Capital Projects Committee, that the contract with Gannett Fleming be amended to include functionality testing of the piezometers on Spruce Run Dam only. With the Chair's approval the contract was amended by a lump sum of \$14,066.00 to bring the total contract to \$81,637.00. Additionally, the Authority requested that Gannett Fleming, Inc. submit a fee proposal for proposed work that was not included in their original fee proposal. Originally the TRB meetings were for

three days and only for the Spruce Run Reservoir. Based on the findings of the inspections and the recommendations of Gannett Fleming, staff recommends that the scope of the TRB be expanded to include a fourth day and include evaluating the recommendations made for the dams and dike at Round Valley. Gannett Fleming's proposal to prepare for and facilitate a TRB meeting to include the issues at Round Valley Reservoir is for a reimbursable amount not to exceed \$46,498.00 to bring the total contract to \$128,135.00.

Proposals are also being solicited from two recommended members of the TRB, who are considered experts in evaluating conditions similar to those at Spruce Run and Round Valley Reservoirs. Dr. Donald Bruce of Geosystems, L.P. of Venetia, PA and David Paul of Paul Geotek Engineering LLC of Arvada, Colorado. The final proposals have not been received but are expected to be no more than \$30,000.

Mr. Sickels questioned if the Authority has been in discussion with NJDEP Dam Safety Program to verify some of the findings and recommendations. Mr. Buss said that NJDEP personnel took part in the inspections and they are in agreement with Gannett Fleming's recommendations.

Mr. Mai referred to the amendment stating that the Authority is not authorizing anything beyond a fourth day for the Technical Review Board meeting. Mr. Patterson said that is correct for Gannett Fleming and the TRB members. Mr. Mai asked if Gannett Fleming will be on the TRB. Mr. Patterson said they will facilitate the TRB meetings and provide input into the meetings.

Mr. Mai moved the Resolution authorizing the Executive Director to amend Contract Number WSA-C13022 with Gannett Fleming, Inc. for Professional Services Required for preparing for and facilitating a Technical Review Board to Discuss the Recent Recommendations for the Round Valley Reservoir Embankments. Mr. Sickels seconded this motion. All Authority members approved of the Resolution.

Mr. McKeon provided the background information on the Resolution authorizing the Executive Director to enter into a Purchase Agreement for the Purchase of Automated Dry Polymer Feed System Equipment at the Manasquan Water Treatment Plant (MWTP) to Dave Heiner Associates, Inc. of Parsippany, NJ to furnish the automated polymer feed system. Mr. McKeon stated that the Authority operates the Manasquan Water Treatment Plant for the Southeast Monmouth Municipal Utilities Authority (SMMUA). Mr. McKeon stated that by Resolution No. 1807, dated December 3, 2007, the Authority authorized a contract to be executed with Malcolm Pirnie for the preparation of an asset management plan and 20 year capital improvement plan for the MWTP. Mr. McKeon stated that as part of the process, the consultant inspected all significant

assets and systems in the MWTP. The asset management plan and 20 year capital improvement plan recommended a replacement of coagulant aid polymer system. Mr. McKeon stated that the existing coagulant aid polymer feed system is worn from 24 years of use at the MWTP.

Mr. McKeon explained that advertisements for bids were published in three newspapers of general circulation and the advertisement was also posted on the Authority's and the State's websites. Four (4) bids were received and opened. Mr. McKeon provided the details of the amounts of the bids received. Ms. Blew moved the Resolution authorizing the Executive Director to enter into a Purchase Agreement for the Purchase of Automated Dry Polymer Feed System Equipment at the Manasquan Water Treatment Plant to Dave Heiner Associates, Inc. of Parsippany, NJ for a cost of \$82,210. Dr. Hsueh seconded the motion. All Authority members approved of this resolution.

Mr. McKeon provided the background information on the Resolution authorizing the Executive Director to enter into a contract for Improvements to the Air Compressor System at the Manasquan Water Treatment Plant to Air & Gas Technologies, Inc. of Keyport, NJ. Mr. McKeon stated that the Authority operates the Manasquan Water Treatment Plant for the Southeast Monmouth Municipal Utilities Authority (SMMUA). Mr. McKeon stated that the asset management plan also recommended replacement of the air compressor system at the MWTP.

Mr. McKeon explained that advertisements for bids were published in three newspapers of general circulation and the advertisement was also posted on the Authority's and the State's websites. Two (2) bids were received and opened. Mr. McKeon provided the details of the amounts of the bids received. Mr. Havens moved the Resolution authorizing the Executive Director to enter into a contract for Improvements to the Air Compressor System at the Manasquan Water Treatment Plant to Air & Gas Technologies, Inc. of Keyport, NJ for a lump sum price of \$44,955.50. Ms. Blew seconded the motion. All Authority members approved of this resolution.

COMMITTEE REPORTS

- (a) Personnel - no report
- (b) Finance - no report
- (c) Audit - no report
- (d) Public Participation - no report
- (e) Capital Projects - no report

(f) Insurance - no report

(g) Watershed Lands Acquisition Committee - no report

PUBLIC COMMENT


There were no comments to report.

EXECUTIVE SESSION

There was no need for an Executive Session.

Mr. Mai moved to adjourn the meeting. Ms. Blew seconded the motion. All Authority members approved of the motion. The meeting was adjourned at 2:30 P.M.

I hereby certify this to be a true and original copy of the March 3, 2014 New Jersey Water Supply Authority meeting minutes.



Zenona I. Puć
Executive Secretary II