



NEW JERSEY WATER SUPPLY AUTHORITY

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Minutes of the Meeting of the New Jersey Water Supply Authority August 3, 2020

A regular meeting of the New Jersey Water Supply Authority was convened on August 3, 2020 at 2:05 P.M. by teleconference

As designated by Catherine R. McCabe, Commissioner New Jersey Department of Environmental Protection and Chair New Jersey Water Supply Authority, Jeffrey Hoffman, State Geologist, Division of Water Supply and Geoscience, served as Acting Chair of the meeting and called the meeting to order.

Deputy Attorney General Jason Kane read the statement required by the "Open Public Meeting Act".

Executive Director, Marc Brooks, took the roll call of the Authority members.

Present: Jeffrey Hoffman, Acting Chair
Ellsworth Havens
Robert Iacullo
Steven Picco
Susan Blew

A quorum existed for the transaction of Authority business.

Interested Parties Present:

Robert Barth, D&R Canal Watch
David Brogle, Middlesex Water
Frank Marascia, New Jersey American Water
Oleg Kostin, New Jersey American Water

Authority Staff Present:

Marc Brooks, Executive Director
Susan Buckley, Director Finance & Administration
Darin Shaffer, Chief Engineer
Paul McKeon, Director Manasquan Water Supply System/D&R Canal
Kenneth Klipstein, Director Watershed Protection Programs
Rita Shaw, Controller
Michelle Rollman, Finance and Accounting Analyst
Jason Kane, Deputy Attorney General
Lauren LaRusso, Associate Counsel, Authorities Unit

APPROVAL OF THE MINUTES

Acting Chair Hoffman asked for the approval of the minutes of the June 1, 2020 meeting. Ms. Blew moved the motion approving the minutes as prepared and the motion was seconded by Mr. Picco. The minutes of the June 1, 2020 meeting were approved by the Board.

EXECUTIVE DIRECTOR'S REPORT

Mr. Brooks stated that everyone has a copy of his report and thanked the Commissioners for completing their financial disclosures in time for the July 31 deadline.

Mr. Brooks noted that the Authority had one employee who tested positive for Covid-19. The employee has since tested negative and has received a doctor's approval to return to work. Mr. Brooks described the successful social distancing precautions in place for those employees reporting to Authority offices.

Mr. Brooks stated that members of the Authority staff in the CWA and IFPTE unions were subject to up to 12 furlough days through the middle weeks of July. The Authority was able to maintain, with difficulty, all essential operations through that time period.

Mr. Brooks stated that Executive Orders continue to permit all Authority construction projects to continue.

Mr. Brooks discussed rainfall levels at Spruce Run and Manasquan. Mr. Brooks stated that the Authority is preparing for heavy rainfall over the next few days.

Mr. Brooks acknowledged Commissioner Shing Fu-Hsueh who resigned effective June 13, 2020. Dr. Hsueh dutifully executed his responsibilities as a member of this Board since 2002.

COMMUNICATIONS/CORRESPONDENCE

Mr. Brooks noted an online news article from ConstructionEquipmentGuide.com regarding the Round Valley Reservoir Structures Rehabilitation and Resource Preservation Project.

UNFINISHED BUSINESS

Mr. McKeon provided a report on the Manasquan Reservoir System and Water Treatment Plant/Transmission System. Mr. McKeon stated everyone has a copy of his report. Mr. McKeon discussed high temperatures at Manasquan. Mr. McKeon stated that customer demands for the month of July were fully met and that the reservoir is at 87 percent of capacity which is normal for this time of year.

Mr. Shaffer provided a report on the Raritan Basin System. Mr. Shaffer stated that everyone has a copy of his report. Mr. Shaffer stated that Spruce Run is at elevation 269.3 feet or 86.2 percent of

capacity. Round Valley is currently at elevation 360.4 feet or 66.4 percent of capacity. The combined reservoir capacity is 69.7 percent, while the typical capacity for this date is 92.8 percent.

Mr. Shaffer stated that Canal operations are normal for this time of year and noted that staffing continues to be evaluated on a daily basis to address essential tasks while still accommodating guidance intended to minimize the spread of COVID-19.

Mr. Shaffer stated that the repair of a seep in the Canal embankment at the high-pressure gas line crossing owned by Williams-Transco was completed in June. Repairs included construction of an impervious cut-off on the upstream slope and installation of subsurface wire mesh to protect against burrowing rodents which are believed to have contributed to past seepage problems.

Mr. Shaffer discussed the Canal Dredging Project. The contractor resumed operations with one dredge in late June and added a second dredge in late July. The restart of operations was delayed by the contractor for approximately two months due to COVID-19 concerns. Reach 6 and the remainder of Reach 5 are slated to be dredged in 2020 which is year three of the projected three-year project. Despite the delayed restart of dredging, it does appear possible to complete the dredging this year, but there is very little slack in the schedule if there are any further delays. The contractor and the Authority's engineering consultant are closely monitoring progress and regularly evaluating the schedule.

Mr. Shaffer reported on the Round Valley Reservoir Dams-Rehabilitation and Resource Preservation Project. The Round Valley Grouting and South Dam intake tower dredging projects are complete. Notice to proceed for the embankment rehabilitation was issued to the contractor in late January.

Mr. Shaffer stated that major excavation began on June 29 at the Dike. With the start of excavation, the contractor also initiated double ten-hour shifts. The excavation has reached the final sub-grade at the toe of the Dike with no significant issues. Placement of the filter and drain materials is expected to begin this week. The contractor has taken measures to protect completed work from damage in the event of heavy rain from Tropical Storm Isaias. The contractor currently expects to have the Dike reconstructed back to elevation 350 by mid-September which will represent the completion of Phase I at the Dike. Major excavation at the North Dam can begin when the dewatering has met established thresholds and the Dike is backfilled to elevation 350, and also provided that the contractor can demonstrate that the North Dam will be backfilled to elevation 325 by December 21 or before any winter shutdown.

Mr. Shaffer discussed other project elements and stated that County Rt. 629 remains closed to all traffic and the public within the project area between the Dike and Old Mountain Rd.

Mr. Shaffer reported on the dredging of the pond at the South Branch Pump Station. The contractor has successfully drained the pond and constructed a temporary cofferdam to protect the work area from flooding from the South Branch Raritan River. Heavy equipment is operating in the pond area, moving accumulated sediment into piles and rows to expedite the dewatering process. Mr. Shaffer discussed the hauling and disposal of material and ancillary project elements.

Mr. Shaffer reviewed the conditions, history and location of the Six-Mile Run culvert. The Authority solicited bids to dewater the culverts for internal inspection as part of the design for permanent repairs to the culvert. The bids came in significantly over the engineer's estimate and the award of that contract was not recommended. In lieu of the internal inspection, a dye test was conducted in the canal above the Six-Mile Run culvert on June 9 to identify any potential hydraulic connection between the Canal and Six-Mile Run. No dye was observed in the culverts, but the test revealed some leakage from the Canal and investigation and design of repairs is on-going.

Mr. Shaffer noted that he provided information regarding three change orders in his report and offered to answer any questions of which there were none.

Mr. Klipstein provided a report on the Watershed Management Program. Mr. Klipstein stated that everyone has a copy of his report. Mr. Klipstein stated that design work will begin soon on the Department of Environmental Protection grant project for the innovative biochar installation to mitigate harmful algal blooms at Spruce Run Reservoir. Mr. Klipstein noted that hydrilla treatment began in the Canal on June 29, 2020 and that the Authority anticipates treatment to continue for 90 days. Mr. Klipstein stated that the seasonal boat steward inspection program is winding down at Manasquan.

Mr. Klipstein noted that he provided information in his report regarding one change order relative to the Lambertville Native Buffer Planting. The change order allowed for an increase of \$1,100.00 to the contract for the removal of invasive plants from the project site. The change order was approved by the Chair of the Capital Projects Committee and the contract is now closed. Mr. Klipstein offered to answer any questions of which there were none.

NEW BUSINESS

Mr. McKeon provided background information on the resolution authorizing the award of a contract to refurbish a Single-Stage Vertical Pump, Intake Pump Station, Manasquan Water Supply System, Wall Township, Monmouth County, NJ, WSA B20059M. Mr. McKeon reviewed the history of the design and purchase of a pump bowl assembly under a separate contract. Mr. McKeon described the bid process and scope of project services for the refurbishment of Pump #3. The bid from All Mechanical Services was found to be in compliance with the

requirements of the technical specifications. Mr. McKeon noted that All Mechanical Services was the successful bidder on a previous pump refurbishment project which was completed to the Authority's satisfaction.

Mr. Havens moved the resolution authorizing the Executive Director to enter into a contract with All Mechanical Services, of Perth Amboy, New Jersey, for the refurbishment of a single-stage vertical turbine pump at the Manasquan River Intake Facility, including the installation of a replacement bowl assembly, for a lump sum cost of \$45,000.00. Mr. Iacullo seconded the motion. All Authority members approved of the resolution.

Mr. Shaffer provided background information on the resolution authorizing Amendment No. 12 to Contract WSA-C16023 for Professional Engineering Services required for the Round Valley Reservoir Structures - Rehabilitation and Resource Preservation Project. Mr. Shaffer stated that Schnabel Engineering, the Engineer of Record, has requested an amendment to the contract for a \$2,896,153 increase to account for changes in the project since the time of their original 2016 fee proposal. The original proposal for construction management was based on the Technical Review Board's assumption that the project would import earth fill for the embankment work. During design, an approach was developed and selected where the embankment is excavated in lieu of importing large quantities of earth fill, saving approximately \$30 million.

From a construction perspective, the excavation option is a more complex operation requiring careful engineering oversight and requiring the embankments to be rehabilitated one at a time, rather than concurrently, as recommended by the Technical Review Board, NJ Dam Safety, and Schnabel. As a result, the expected construction schedule was extended from ten months to two years. Additionally, the contractor has deemed it necessary to operate double ten-hour shifts each day to meet the contract schedule which was not anticipated in Schnabel's original proposal for construction management.

Mr. Shaffer discussed allowances for borrow area investigations that were not necessary because the excavation option is expected to be a zero balance cut and fill. The unspent allowance from the borrow area tasks is currently \$931,212.21. Authority staff reviewed the proposed amendment and finds it to be reasonable and prudent.

Ms. Blew moved the resolution authorizing the Executive Director to amend the contract with Schnabel Engineering of Chadds Ford, Pennsylvania for Professional Engineering Services necessary for the Round Valley Reservoir Structures - Rehabilitation and Resource Preservation Project, by a reimbursable cost not to exceed amount of \$2,896,153.00, bringing the new contract value to \$13,433,580.00. Mr. Picco seconded the motion. All Authority members approved of the resolution.

Mr. Shaffer provided background information on the resolution authorizing the award of construction contract WSA-B20051 for Rehabilitation and Prevention of the Erosion of the Riverbank and Canal Embankment Downstream of the Island Farm Weir on the Delaware and Raritan Canal Project in Franklin Township, Somerset County. Mr. Shaffer stated that the southern riverbank downstream of the Island Farm Weir on the Raritan River also forms the northern embankment of the D&R Canal and that it has been heavily eroded from high flows coming over the Island Farm Weir. This erosion has the potential to lead to a breach of the Canal if allowed to continue unmitigated. Mr. Shaffer stated that the Authority retained a professional engineering consultant to prepare plans and specifications to repair the erosion and armor the embankment to protect against future erosion. Mr. Shaffer described the bid process and stated that Authority staff and the engineer found the low bid submitted by CMS Construction, Inc. to be legally and technically responsive.

In response to a question from Mr. Iacullo, Mr. Shaffer stated that to his knowledge, CMS Construction has not done work for the Authority prior to the project, but that the company has worked previously with the Authority contracted engineer.

Mr. Havens moved the resolution authorizing the Executive Director to enter into a construction contract with CMS Construction, Inc. of Plainfield, New Jersey, for the rehabilitation and prevention of the erosion of the riverbank and canal embankment downstream of the Island Farm Weir on the Delaware and Raritan Canal in Franklin Township, Somerset County, for a lump sum and unit price cost of \$241,080.00. Mr. Picco seconded the motion. All Authority members approved of the resolution.

Mr. Shaffer provided background information on the resolution authorizing Change Order No. 3 - Construction contract for Round Valley Reservoir Structures Refurbishment & Resource Preservation Project - Sediment Relocation for Maintenance of the South Tower Intake Channel, Clinton Township, Hunterdon County, New Jersey, WSA-C19015. Mr. Shaffer stated that Mount Construction completed dredging the Round Valley South Dam intake channel in February 2020. During construction, Mount informed the Authority of differing site conditions. It was determined that the intake channel was narrower than shown on the contract drawings and included rock outcroppings that would inhibit the dredging operation. Mount continued to work while they and the Authority negotiated the impacts of the differing site conditions. Mr. Shaffer described negotiations between Mount Construction and Authority staff. The Capital Projects Committee was briefed throughout the negotiation process.

The Authority agreed to a lump sum total of \$149,850.10, representing 47 crew hours at a crew rate of \$3,188.30 per hour, decreased by \$20,000 for one of four bathymetric surveys in the contract which was not required. This change order will resolve all outstanding claims.

Ms. Blew moved the resolution authorizing the Executive Director to execute Change Order No. 3 with Mount Construction Company of Berlin, New Jersey, for construction services provided for the Round Valley Reservoir Structures Rehabilitation and Resource Preservation Project - Sediment Relocation for Maintenance of the South Tower Intake Channel located in Clinton Township, Hunterdon County, for an amount of \$129,850.10, increasing the total contract value to \$1,070,903.57. Mr. Havens seconded the motion. All Authority members approved of the resolution.

Mr. Brooks provided background information on the Resolution concerning the appointment of the Secretary for the New Jersey Water Supply Authority. Mr. Brooks stated that Commissioner Shing Fu-Hsueh resigned effective June 13, 2020 and that accordingly staff recommends that a new Secretary be appointed for the remainder of the year.

Mr. Iacullo moved the resolution to elect Susan Blew as the Secretary of the New Jersey Water Supply Authority for the remainder of calendar year 2020. Mr. Havens seconded the motion. All Authority members approved of the resolution.

Ms. Buckley provided background information on the Resolution ratifying the Executive Director's placement of builder's risk insurance coverage for the Round Valley Embankment Rehabilitation Project. Ms. Buckley stated that on February 3, 2020, the Authority adopted a Resolution authorizing the placement of builders risk insurance coverage for the Round Valley Reservoir Rehabilitation Project and on June 1, 2020, ratified the Executive Director's placement of the insurance policy for \$1,300,000. Surcharges on the policy brought the actual total exact policy premium to \$1,307,799.75 and staff recommends the re-ratification of the Executive Director's placement at the revised amount.

Mr. Picco moved the resolution to ratify the Executive Director's placement of a Builder's Risk Policy for the Round Valley Embankment Rehabilitation Project for a period of May 15, 2020 through August 21, 2022 at a premium of \$1,307,799.75. Ms. Blew seconded the motion. All Authority members approved of the resolution.

COMMITTEE REPORTS

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

(h) Watershed Lands Acquisition Committee - no report

PUBLIC COMMENT

Frank Marascia introduced himself as a representative of New Jersey American Water. In response to a question by Mr. Marascia, Mr. Brooks stated that the plan to restore capacity to Round Valley Reservoir, following the completion of the restoration project, would include immediate pumping at the maximum capacity based on the available river water with consideration to the maintenance of minimum flows.

Oleg Kostin introduced himself as a representative of New Jersey American Water. In response to a question by Mr. Kostin, Mr. McKeon stated that the copper sulfate treatment scheduled for August 6 would not be deterred by anticipated storm weather conditions. Mr. Kostin inquired about the basis for determining the necessity of copper sulfate treatments to the Manasquan Reservoir relative to the Spruce Run Reservoir. Mr. Kostin indicated concern that the treatment would release cyanotoxins into the water, creating water treatment issues for New Jersey American Water. In response, Mr. McKeon noted discrepancies in the reported algae levels because of staffing issues and stated that because of temperatures and other factors in the reservoir, the Authority deems it prudent to apply the treatment to prevent an algal bloom. Mr. McKeon noted that a treatment was applied the previous year with negligible toxins released and that it is likely, as a result of the storm, that river water, rather than reservoir water, will be pumped to the Oak Glen facility following treatment. Mr. Kostin requested additional communications moving forward.

EXECUTIVE SESSION

There was no need for an executive session.

ADJOURN

Ms. Blew moved to adjourn the meeting. Mr. Havens seconded the motion. All Authority members approved of the motion. The meeting was adjourned at 2:40 P.M.

I hereby certify this to be a true and original copy of the August 3, 2020 New Jersey Water Supply Authority meeting minutes.

Michelle Rollman

Michelle Rollman

Finance and Accounting Analyst