

Minutes of the Meeting of the
New Jersey Water Supply Authority

June 7, 2010

A regular meeting of the New Jersey Water Supply Authority was convened on June 7, 2010 at 2:00 P.M. in the Conference Room of the New Jersey Water Supply Authority's Canal Office located at 770 Bear Tavern Road, West Trenton, New Jersey.

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

Mr. Sondermeyer stated that he has chaired the Authority meetings since June 5, 2000, and that the June 7, 2010 meeting would be his last. He noted that one of the highlights of his career was working with the Authority. Mr. Sondermeyer stated that NJDEP has 42 Commissions and Authorities and that the New Jersey Water Supply Authority is his model for how these organizations should run both professionally and as a sister agency. Mr. Sondermeyer thanked his fellow Commissioners and Authority Staff for all their support.

The Commissioners and Authority Staff congratulated Mr. Sondermeyer on his retirement.

Senior Deputy Attorney General Helene P. Chudzik read the statement required by the "Open Public Meeting Act". Executive Director Henry S. Patterson took the roll call of Authority members.

Present: Gary Sondermeyer, Acting Chair
Susan Blew
Louis Mai
Steve Picco
Shing-Fu Hsueh
Robert J. Iacullo - by Phone

Interested Parties Present:

Oleg Kostin, New Jersey American Water

Authority Staff Present:

Henry S. Patterson, Executive Director
Zenona I. Puć, Administrative Assistant
Edward Buss, Chief Engineer
Beth Gates, Director Finance & Administration
Michael Citarelli, Chief Financial Officer
Richard R. Famularo, Manager Manasquan Water Supply System
Bill Bogosian, Manager Raritan Basin System
Helene P. Chudzik, Sr. Deputy Attorney General

A quorum existed for the transaction of Authority business.

APPROVAL OF THE MINUTES

Acting Chair Sondermeyer asked for the approval of the minutes of the May 3, 2010 meeting. Mr. Picco moved the motion approving the minutes as prepared and the motion was seconded by Dr. Hsueh. The Minutes of the May 3, 2010 meeting were approved by the Board.

EXECUTIVE DIRECTOR'S REPORT

Mr. Patterson stated that the Authority was awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for FY2009.

Mr. Patterson stated that the Authority is releasing water from the Spruce Run Reservoir as of this morning. Mr. Patterson informed the Board that Spruce Run and Round Valley Reservoirs are at full capacity; Manasquan Reservoir is at 95% of full capacity.

COMMUNICATIONS/CORRESPONDCE

Mr. Patterson stated that included in the Agenda packet is an article from the Messenger-Gazette concerning the Peter's Brook Project.

UNFINISHED BUSINESS

Mr. Famularo reported on the Manasquan Reservoir and Water Treatment Plant/Transmission Systems' operations, stating that the Manasquan Reservoir is at 95% of full capacity.

Mr. Famularo stated that pre-construction meetings for the Ozone System and the Rehabilitation of the Instrumentation and Control Systems projects are scheduled for June 8th. Mr. Famularo reported that a kickoff meeting will be held on June 10th with O'Brien & Gere of Edison, NJ on replacement of existing caustic and chemical storage and feed system, modification of recycle lagoon system and construction of new finished water storage. Mr. Famularo noted that repair work on the transmission plant meter vault will also take place on June 10th.

Mr. Bogosian stated that the Authority received draft specifications and plans from Hatch Mott MacDonald for the rehabilitation of the base plates and maintenance of the pumps

for the South Branch Pumping Station. Mr. Bogosian reported that all operations of the Raritan Basin System have been normal during the last month.

Ms. Gates reviewed the budgets for the Manasquan Reservoir and the Raritan Basin System for Fiscal Year 2011, which were presented to the Board and discussed at the May 3, 2010 meeting. Ms. Gates reviewed the rates for the Manasquan and Raritan Basin Systems and the total budget for each System indicating that the rates for each system are flat, the Manasquan Reservoir System budget is going up nominally by 1.01 percent and the Raritan Basin System budget is going down by .02 percent. Mr. Mai moved the Resolution approving the Authority's Manasquan System Budget for Fiscal Year 2011 (July 1, 2010 - June 30, 2011) and the Resolution approving the Authority's Raritan Basin System Budget for Fiscal Year 2011 (July 1, 2010 - June 30, 2011). Mr. Picco seconded the motion. All Authority members approved the resolutions.

Mr. Patterson reported for Watershed stating that Mr. Klipstein is out today. Mr. Patterson stated that everything is moving along well. Mr. Patterson stated that on June 4th the Authority participated in the Bloustein School of Planning & Public Policy's 2nd Annual Sustainable Raritan River Conference.

NEW BUSINESS

Ms. Gates provided the background information on the Unaudited Financial Statements dated March 31, 2010.

COMMITTEE REPORTS

- (a) Personnel - no report
- (b) Finance - no report
- (c) Consumers - no report
- (d) Audit - Mr. Picco, Chairman of the Audit Committee, reported that a Pre-Audit Committee meeting was held today with the Mercadien Group in accordance with EO 122. Mr. Picco noted that a report will be issued to the Authority in time for the October meeting.
- (e) Public Participation - no report
- (f) Capital Projects - no report
- (g) Insurance - no report
- (h) Watershed Lands Acquisition Committee - no report

PUBLIC COMMENT

There were no comments from the public.

Mr. Picco moved to adjourn the meeting. Mr. Mai and Ms. Blew seconded the motion, and this motion was unanimously approved. The meeting was adjourned at 2:13 P.M.

I hereby certify this to be a true and original copy of the June 7, 2010 New Jersey Water Supply Authority meeting minutes.

Zenona I. Puć
Administrative Assistant