

Minutes of the Meeting of
New Jersey Water Supply Authority
of
October 1, 2007

A regular meeting of the New Jersey Water Supply Authority was convened on October 1, 2007 at 2:00 P.M. in the Conference Room of the New Jersey Water Supply Authority's Clinton Administration Building located at 1851 Route 31, Clinton, New Jersey.

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

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

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

Present: Gary Sondermeyer, Acting Chair
Susan Blew
Shing-Fu Hsueh - by telephone
Louis Mai
Absent: Steven J. Picco
Robert Iacullo
Donald Correll

Interested Parties Present:
Dave Shope, Member of the Public
Ronald Williams, Middlesex Water Company & East Brunswick

Authority Staff Present:
Henry S. Patterson III, Executive Director
Joanna K. Stem, Executive Secretary
Edward Buss, Chief Engineer
Beth Gates, Director Finance and Administration
Michael Citarelli, Chief Financial Officer
Bill Bogosian, Manager Raritan Basin System
Richard Famularo, Manager Manasquan Water Supply System
Helene P. Chudzik, 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 August 6, 2007 meeting. Mrs. Blew moved for the approval of the minutes and this motion was seconded by Mr. Mai. The minutes of the August 6, 2007 meeting were approved by the Board.

EXECUTIVE DIRECTOR'S REPORT

Mr. Patterson informed the Board that he included the preliminary initial findings of the Manasquan River Non-Point Source Identification Project in his report. Mr. Patterson informed the Board that the Audit Committee met on September 21, 2007 for the post audit meeting. Mr. Picco, Chair of the Audit Committee will provide his report from that meeting at the November 5, 2007 Authority Meeting. Mr. Patterson also stated that staff met with Mr. Mai, Chair of the Finance Committee to review the proposed rates.

Mr. Patterson stated that September was a very dry month, 4th driest on record according to a preliminary analysis by the State Climatologist.

COMMUNICATIONS/CORRESPONDENCE

There were no items of Communications or Correspondence.

UNFINISHED BUSINESS

Mr. Famularo provided the operations report for the Manasquan Water Supply System. Mr. Famularo reported that the Manasquan Reservoir is approximately 77% of full capacity. Mr. Famularo stated that 0.38 inches of rain was recorded in the Manasquan Reservoir area during September.

Mr. Famularo reported that all operations at the Water Treatment Plant/Transmission System have been normal. Mr. Famularo stated that the upgrade to the ozone control system has been completed. During the control system replacement work, the annual preventive maintenance was performed.

Mr. Bogosian reported that all operations in the Raritan Basin System were normal. Mr. Patterson stated that the employees at the Canal Office continue to restore the eastern end of the Delaware and Raritan Canal.

Mr. Patterson reported that the Watershed Protection Unit continued their daily activities with project partners, sampling, municipal assessments and wastewater management planning. Staff from the EPA toured the Hoffman Park project, and the Project Team's written report will be provided to the EPA in December. Commissioner Blew asked about section of the Watershed Report that mentioned a tour in response to concerns regarding the intense deer foraging and the negative effects on the C1 stream buffers. Mr. Patterson explained that this is the Lockatong and Wickecheoke Creeks Watershed area, and that deer have eaten the understory. Staff from the Watershed Unit will contact Commissioner Blew to review this project.

NEW BUSINESS

Ms. Gates referred to the Basis and Background Statements included with the agenda package for the proposed rate adjustments to become effective on July 1, 2008 for the Manasquan Reservoir System and the Raritan Basin System, which were discussed in detail during a meeting with the Chair of the Finance Committee. An informal briefing meeting will be held with the Manasquan water customers to review the proposal on October 12, 2007, a Pre-Public Meeting will be held on January 11, 2008 and a Public Meeting will be held on February 8, 2008. An informal briefing meeting will be held with the Raritan water customers to review a proposal on October 5, 2007, a Pre-Public Meeting will be held on January 4, 2008 and a Public Meeting will be held on February 1, 2008. Ms. Gates stated that the proposals reflect a 3.07% increase in the Raritan Basin System and a 4.66% increase in the Manasquan Water Supply System. Mr. Mai, as Chair of the Finance Committee, stated that he met with staff to review and discuss the rate proposals.

Mr. Famularo provided the background information on the resolution authorizing the Executive Director to enter into a one-year purchase agreement for Polyaluminum Chloride for the Manasquan Water Treatment Plant. Mr. Famularo explained that the Authority advertised for bids in three newspapers of general circulation and the advertisement was also posted on the State's website. The estimated quantity for the current purchase was increased to 400,000 pounds. Mr. Mai moved the Resolution authorizing the Executive Director to enter into a one-year purchase agreement for Polyaluminum Chloride for the Manasquan Water Treatment Plant, Wall Township from Delta Chemical of Baltimore, Maryland in the amount of \$56,400. Mrs. Blew seconded this motion. All Authority members approved of the resolution.

Mr. Buss provided the background information on the Resolution to approve Change Order Nos. 1 and 2 to Contract No. WSA C07002 with Allied Painting for the rehabilitation of the Parkside Avenue Aqueduct, City of Trenton. Mr. Buss explained that the original project included replacement of a balustrade on the north side of the aqueduct. The City of Trenton requested that the Authority replace the balustrade on the south side of the aqueduct. The contractor submitted an amount of \$49,370 for this work. Mr. Buss further explained that the City of Trenton also requested the Authority to improve the appearance of the entire structure. The contractor submitted an amount of \$54,245 to extend the graffiti resistant coating on the entire structure. Mr. Buss stated that the Authority and the contractor had to access the project through the property owned by the City of Trenton. Mr. Patterson stated that these requests were reviewed with the Chair of the Capital Projects Committee. Mrs. Blew moved the Resolution to approve Change Order Nos. 1 and 2 to Contract No. WSA C07002 with Allied Painting for the rehabilitation of the Parkside Avenue Aqueduct, City of Trenton for a combined lump sum total amount of \$103,615.00 to Allied Painting Inc., of Franklinville, NJ bringing the total contract to \$1,338,364.00, a 7.7% increase. Mr. Mai seconded this motion. All Authority members approved of the resolution.

Mr. Buss provided the background information on the Resolution to approve Change Order Nos. 1 and 3 to Contract No. WSA C06001 with J.A. Alexander, Inc. for the overtopping protection for No Name Dam No.31, Township of Clinton. Mr. Buss explained that Change Order No. 1 is due to the existing telephone conduit being located underground in the area where the articulated concrete block will be placed. This conduit must be relocated and replaced. The contractor submitted an amount of \$36,126.39 to do the work. Mr. Buss further explained that Change Order No. 2 is due to the existing concrete apron being almost 20 inches thicker than what was shown on the original (1963) construction drawings. In order to remove the existing culvert wingwalls and apron and to avoid damaging the existing culvert that was to remain; the contractor needed the use of a significantly larger diamond blade saw and make additional cuts in the apron. The contractor submitted an amount of \$11,550.00 to do the work. Mr. Mai moved the Resolution to approve Change Order Nos. 1 and 3 to Contract No. WSA C06001 with J.A. Alexander, Inc. for the overtopping protection for No Name Dam No.31, Township of Clinton for a combined lump sum total amount of \$47,676.39 to J.A. Alexander, Inc. of Bloomfield, NJ, bringing the total contract amount to \$1,840,488.39, a 2.7% increase. Mrs. Blew seconded this motion. All Authority members approved

of the resolution.

Mr. Bogosian provided the background information on the Resolution authorizing the award of a purchase order for a replacement dump truck for the Raritan Basin System. Mr. Bogosian explained that the budget included \$100,000 for the purchase of a replacement dump truck. He also stated that staff researched the existing State and Federal contracts for the dump truck with the specifications needed by the Authority. Only one vendor submitted a quote for the dump truck. Mr. Mai moved the Resolution authorizing the award of a purchase order for a replacement dump truck for the Raritan Basin System to Boyer Trucks, Inc. of Minneapolis, Minnesota in the amount of \$89,063.00. Mrs. Blew seconded this 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
- (e) Public Participation - no report
- (f) Capital Projects - no report
- (g) Insurance - no report
- (h) Watershed Lands Acquisition Committee - no report

PUBLIC COMMENT

Mr. Shope asked if the Manasquan Watershed was connected to the Raritan Basin System. Mr. Shope also wanted to know how much money was in the source water protection fund for land purchases.

EXECUTIVE SESSION

D.A.G. Chudzik read the statement to go into Executive Session to discuss acquisition of land. Mrs. Blew moved the resolution to go into Executive Session, which Acting Chair Sondermeyer seconded. All Authority members approved the motion.

RETURN TO PUBLIC SESSION

Mr. Mai moved the resolution that the meeting be placed back into public session. Acting Chair Sondermeyer seconded this motion. All Authority members approved the motion.

Mr. Mai moved to adjourn the meeting. Mrs. Blew seconded the motion. All Authority members approved of the motion. The meeting was adjourned at 2:50 P.M.

I hereby certify this to be a true and original copy of the October 1, 2007 New Jersey Water Supply Authority meeting minutes.

Joanna K. Stem
Executive Secretary I