

Minutes of the Meeting of  
New Jersey Water Supply Authority  
of  
June 4, 2007

A regular meeting of the New Jersey Water Supply Authority was convened on June 4, 2007 at 2:00 P.M. in the Conference Room of the New Jersey Water Supply Authority's Canal Office located at Bear Tavern Road, West Trenton, New Jersey.

As designated by New Jersey Department of Environmental Protection Commissioner and New Jersey Water Supply Authority Chair, Lisa P. Jackson, Michele Putnam, 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: Michele Putnam, Acting Chair  
Louis Mai  
Steve Picco  
Shing-Fu Hsueh - by phone  
Absent: Susan Blew  
Absent: Robert J. Iacullo  
Absent: Donald Correll

Interested Parties Present:

David Shope, Citizen Lebanon Township  
Ronald Williams, Middlesex Water Co. & East Brunswick Twp  
Oleg Kostin, New Jersey American Water

Authority Staff Present:

Henry S. Patterson III, Executive Director  
Joanna K. Stem, Executive Secretary  
Edward Buss, Chief Engineer  
Beth Gates, Director Finance & Administration  
Michael Citarelli, Chief Financial Officer  
Daniel Van Abs, Director Watershed Protection Unit  
Richard Famularo, Manager Manasquan Water Supply System  
Paula Dees, Property Administrator  
Helene P. Chudzik, Deputy Attorney General  
Jim Carey, Governor's Authorities Unit

A quorum existed for the transaction of Authority business.

**APPROVAL OF THE MINUTES**

Acting Chair Putnam asked for the approval of the minutes of the April 2, 2007 meeting. Mr. Picco moved for the approval of the minutes and Mr. Mai seconded this motion. The minutes of the April 2, 2007 meeting were approved by the Board.

**EXECUTIVE DIRECTOR'S REPORT**

Mr. Patterson stated more details on Canal flooding and more details on the Manasquan fuel spill will be given during the operations reports.

**COMMUNICATIONS/CORRESPONDCE**

Mr. Patterson stated that the article on the April 15-18, 2007 Flooding in New Jersey is a brief summary using data that was posted by the USGS, NJ Water Science Center along with information compiled by the National Weather Service on this flooding event.

**UNFINISHED BUSINESS**

Mr. Famularo reported on the Manasquan Reservoir System operations. He stated that on May 10<sup>th</sup> a Dana Transportation tanker truck carrying 9,000 gallons of gasoline was involved in an accident on Route 195 in Howell Township, which resulted in a gasoline spill. Releases were made from the Manasquan Reservoir from May 10 through May 21 because of the gasoline spill. Mr. Famularo stated that the Manasquan Reservoir is 92.1% of full capacity. Mr. Famularo informed the Board that Authority personnel were in constant contact during the cleanup with NJDEP Hazardous Spill Response personnel, the Monmouth County Health Department Hazardous Spill Response and Dana Transportation. Mr. Famularo reported to the Board that the Authority and the environmental consultants for Dana Transportation conducted water and soil sampling during the site remediation process. Mr. Famularo updated the Board on other activities at the Manasquan Reservoir System.

Mr. Famularo reported on the Water Treatment Plant/ Transmission System operations, all operations continued normally at the Water Treatment Plant. There was a scheduled plant shutdown and transmission system flushing on May 10<sup>th</sup>. Mr. Famularo stated that the kick-off meeting for the repairs and design relative to the ozone project would be held on June 7, 2007. The annual granular activated carbon replacement project is in progress.

Mr. Buss reported on the Raritan Basin System operations. Mr. Buss stated that significant flooding occurred between April 15-16 along the Raritan River overtopping the Canal in several areas and caused scour damage. Middlesex and Somerset Counties were declared Federal Disaster Areas. Authority staff is working with FEMA for approval of reimbursement of costs due to the storm event. The major damage was at the Six Mile Run Culvert in Franklin Township, Somerset County. Mr. Buss stated that canal maintenance crews are repairing the scour using stockpiled material. Mr. Buss also informed the Board that on April 26-27 a localized rain event further affected the Canal in Stockton Borough, Hunterdon County. A large amount of sediment was deposited in the Canal. Currently this did not cause a problem with the flow in the Canal but will need to be removed to prevent problems as flow in the Canal decreases during the summer months. Mr. Patterson stated that Spruce Run Reservoir is spilling and Round Valley Reservoir is at 99% of full capacity

Mr. Citarelli reported on the budgets for the Manasquan Reservoir System, the Water Treatment Plant, and the Raritan Basin System for Fiscal Year 2008. Mr. Citarelli reviewed the rate for each System and the total budget for each System. Acting Chair Putnam asked how the salaries and fringe benefits for the Manasquan System were only increased by .1%. Mr. Patterson explained that there was a retirement and organizational changes within the Manasquan Reservoir System that kept the salary and fringe benefit increases to a minimum. Mr. Citarelli informed the Board that the Water Treatment Plant operates on a calendar year budget, but since the costs are split and shared with the Monmouth County Improvement Authority, it is also necessary to produce a fiscal year budget. Mr. Mai moved the Resolution approving the Authority's Manasquan System Budget for Fiscal Year 2008 (July 1, 2007 - June 30, 2008), the Resolution approving the Authority's Manasquan Water Treatment Plant/Transmission System Budget for Fiscal Year 2008 (July 1, 2007 - June 30, 2008) and the Resolution approving the Authority's Delaware and Raritan Canal-Spruce Run/Round Valley Reservoirs System Fiscal Year 2008 (July 1, 2007 - June 30, 2008). Mr. Picco seconded this motion. All Authority members approved the resolutions.

Dr. Van Abs provided an update on the activities of the Watershed Protection Program. Dr. Van Abs informed the Board that the Watershed Protection Unit would be a minor partner in a Grant from the New Jersey Institute of Technology and the North Jersey Resource Conservation and Development Council; this is a national

competitive research grant. This project will be focused in the Rockaway Creek Watershed area. Dr. Van Abs stated that the Raritan Basin Watershed Alliance held a workshop on May 31, 2007, "A Practical Approach to Navigating the Municipal Stormwater Rules." The Watershed Protection Unit participated in this workshop, which well attended. Dr. Van Abs also informed that Board that final word was received from NJDEP that the grant dealing with wastewater management in the Highlands will be extended.

### **NEW BUSINESS**

Ms. Gates provided the background information on the Unaudited Financial Statements dated March 31, 2007. Ms. Gates stated that operations in the third quarter are normalizing.

Ms. Gates provided the background information on the Resolution authorizing the Executive Director to negotiate and execute a contract with Trenton County Club and the Resolution authorizing the Executive Director to negotiate and execute a contract with the Princeton University, Plasma Physics Laboratory. Ms. Gates stated that these resolutions are for approvals for renewal of the Trenton County Club's and the Princeton University, Plasma Physics Laboratory's contracts for uninterrupted service from the Raritan Basin System. Ms. Gates stated that the Trenton County Club and the Princeton University, Plasma Physics Laboratory have been customers since the Authority's inception. Discussion was held on non-consumptive use and possible additions to the Authority's water contract in the future regarding reuse feasibility. Acting Chair Putnam stated that DEP is always looking for ways to reduce consumptive uses. Mr. Picco moved the Resolution authorizing the Executive Director to negotiate and execute a contract with the Trenton Country Club for renewal of uninterrupted service from the Raritan Basin System and the Resolution authorizing the Executive Director to negotiate and execute a contract with the Princeton University, Plasma Physics Laboratory. Mr. Mai seconded this motion. All Authority members approved of the resolutions.

Mr. Buss provided the background information on the Resolution authorizing the award of a professional engineering contract for the investigation of submerged culvert structures along the Delaware and Raritan Canal. Mr. Buss explained that there are approximately 30 culverts under the Canal, many are totally submerged. Every few years divers are hired to inspect some of these submerged culverts. Mr. Buss discussed the

requirements of this project. Six proposals were received and reviewed. Following approval of the Chair, Capital Projects Committee the Authority invited the top three firms to submit fee proposals, and negotiated a fee with the firm having the top-ranked technical proposal. Mr. Picco moved the Resolution authorizing the award of a professional engineering services contract required for investigation of submerged culvert structures along the Delaware and Raritan Canal in Mercer County, Somerset County and Middlesex County to Boswell Underwater Engineering of South Hackensack, NJ for a lump sum of \$74,000. Mr. Mai seconded this motion. All Authority members approved of the resolution.

Mr. Buss provided the background information on the Resolution authorizing the award of a professional engineering contract for the Delaware & Raritan Canal stormwater BMP's implementation project in Franklin Township and South Bound Brook Borough, Somerset County. Mr. Buss explained that the Best Management Practices Program (BMP) would be implemented through grant money from NJDEP to the Authority's Watershed Protection Unit. Previously the Authority received funding from the NJDEP from a 319(h) Nonpoint Source Pollution Grant Program and identified 68 infalls and estimated runoff, sediment and phosphorus loads from each drainage area. Mr. Buss stated that the results and recommendations of the study were approved as a watershed restoration plan by NJDEP. Six out of the top fifteen recommended projects from the plan will now be implemented. Mr. Buss stated that nine proposals were received and reviewed. Following approval of the Chair, Capital Projects Committee the Authority invited the top three firms to submit fee proposals and negotiated a fee with the firm having the top-ranked technical proposal. Mr. Picco asked if the three firms were aware of each other's fee proposal submitted, Mr. Buss said they were not. Mr. Mai moved the Resolution authorizing the award of a professional engineering services contract required for the Delaware & Raritan Canal stormwater BMP's implementation project in Franklin Township and South Bound Brook Borough, Somerset County with Princeton Hydro, LLC of Ringoes, NJ for an amount not to exceed \$250,790. Mr. Picco seconded this motion. All Authority members approved of the resolution.

Mr. Buss provided the background information on the Resolution authorizing an amendment to Contract No. WSA C01030 with Buck, Seifert, & Jost, Inc. for additional construction management services during the modification of No Name Dam No. 31. Mr. Buss explained that the original engineering contract with Buck, Seifert, & Jost, Inc. was based on a preliminary

analysis of this project. The Final Design approved by NJDEP Dam Safety Section requires a significantly increased construction period, increased borings and an increased level of effort for construction oversight. Buck, Seifert, & Jost, Inc. has submitted an amendment to their contract. Mr. Mai moved the Resolution authorizing an amendment to Contract No. WSA C01030 with Buck, Seifert, & Jost, Inc. of Norwood, NJ for additional construction management services during the modification of No Name Dam No. 31 by \$34,100 to bring the contract amount to the reimbursable-not-to-exceed amount of \$149,045. Mr. Picco seconded this motion. All Authority members approved of the resolution.

Ms. Dees provided the background information on the Resolution authorizing the purchase of Block 51, Lot 12 Washington Township, Morris County, a 35.25± acre parcel. Ms. Dees explained that the Board previously approved the execution of the contract to purchase this property. The resolution would authorize the Authority to purchase approximately 50% of a fee simple interest in the property for approximately \$76,625.00. The Washington Township Land Trust will also contribute 50% of the purchase price. Mr. Picco moved Resolution authorizing the purchase of Block 51, Lot 12 Washington Township, Morris County, a 35.25± acre parcel. Mr. Mai 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 - Mr. Picco reported that a Pre-Audit Committee meeting was held today.
- (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, citizen of Lebanon Township asked where the legal notice was published for the renewal of the Trenton County Club water contract. He commented on the Delaware and Raritan Canal Tributary Assessment and Nonpoint Source Management Study. He also asked clarification of the Authority's portion of the purchase price regarding Resolution G. Lastly he asked if there was a final version for the Raritan Basin Technical Reports.

**EXECUTIVE SESSION**

D.A.G. Chudzik read the statement to go into Executive Session to discuss litigation matters. Mr. Picco moved the resolution to go into Executive Session, which Mr. Mai 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. Mr. Picco seconded this motion. All Authority members approved the motion.

Mr. Picco moved to adjourn the meeting. Mr. Mai seconded the motion, and this motion was unanimously approved. The meeting was adjourned at 2:50 P.M.

I hereby certify this to be a true and original copy of the June 4, 2007 New Jersey Water Supply Authority meeting minutes.

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Joanna K. Stem  
Executive Secretary