

## NEW JERSEY WATER SUPPLY AUTHORITY

P.O. BOX 5196 • CLINTON, N.J. 08809 • (908) 638-6121 • (908) 638-5241 (FAX)

### Minutes of the Meeting of the New Jersey Water Supply Authority

December 1, 2014

A regular meeting of the New Jersey Water Supply Authority was convened on December 1, 2014 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 Bob Martin, Commissioner New Jersey Department of Environmental Protection and Chair New Jersey Water Supply Authority, Fred Sickels, Director Division of Water Supply and Geoscience, served as Acting Chair of the meeting and called the meeting to order.

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

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

A quorum existed for the transaction of Authority business.

#### Interested Parties Present:

Oleg Kostin, New Jersey American Water  
Frank Falco, Middlesex Water and East Brunswick  
Charles Engler, Friends of Spruce Run  
Gordon Sell, Friends of Spruce Run  
Dave Shope, Self

#### Authority Staff Present:

Henry Patterson, Executive Director  
Zenona I. Puć, Executive Secretary II  
Beth Gates, Director Finance and Administration  
Susan Buckley, Controller  
Edward Buss, Chief Engineer  
Paul McKeon, Manager Manasquan Water Supply System  
Kenneth Klipstein, Director of Watershed Protection  
Julie Hajdusek, Property Administrator  
Helene Chudzik, Senior Deputy Attorney General  
Michael Collins, Governor's Authorities Unit

## APPROVAL OF THE MINUTES

Acting Chair Sickels asked for a motion for approval of the Minutes of the October 6, 2014 meeting. Mr. Havens moved the motion approving the Minutes as prepared and the motion was seconded by Ms. Blew.

## EXECUTIVE DIRECTOR'S REPORT

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

Mr. Patterson stated that late summer and early fall has resulted in below normal reservoir levels.

Mr. Patterson stated that installation of the new piezometers at Round Valley is complete and installation of the piezometers at Spruce Run is 50 percent complete.

Mr. Patterson stated that on October 29, 2014 Standard & Poor's Rating affirmed the 'AA' Ratings on the Authority's Revenue Water Bonds. Mr. Patterson acknowledged the efforts of Beth Gates in working with S&P.

Mr. Patterson introduced Susan Buckley as the new Controller in the Finance Department. Everyone welcomed Ms. Buckley as a new employee of the New Jersey Water Supply Authority.

Mr. Patterson thanked everyone for completing the Ethics Training on time.

Commissioner Havens acknowledged Mr. Edward Buss' last Board meeting today. Commissioner Havens stated that Mr. Edward Buss, Chief Engineer is officially retiring on December 31, 2014 after 34 years of service at the New Jersey Water Supply Authority.

## COMMUNICATIONS/CORRESPONDENCE

Mr. Patterson stated that included as part of the Communications and Correspondence was the Basic Financial Statements and Supplemental Information for the year ending June 30, 2014 and the Schedules of Expenditures of Federal and State Awards for the year ending June 30, 2014.

## UNFINISHED BUSINESS

Mr. McKeon reported on the Manasquan Reservoir System and the Manasquan Water Treatment Plant/Transmission System. Mr. McKeon stated that the reservoir storage elevation is at 88.5 percent of capacity.

Mr. McKeon stated that operations at the Manasquan facilities are going well and that staff continues working on the various

projects that were previously approved by the Board. Mr. McKeon circulated pictures of the new storage building and stated that it is now 95 percent complete. He also circulated a picture of a retaining wall structure at the administration building that staff has been working on.

Mr. Buss stated that he had nothing to add to his report. As Mr. Patterson stated, installation of the new piezometers at Round Valley is complete and installation of the piezometers at Spruce Run is 50 percent complete. Mr. Buss stated that Pump Assemblies #1 and #6 are still out for service. Mr. Buss stated that reinstallation of the pumps has been delayed due to problems encountered with the factory acceptance testing.

Mr. Klipstein stated that everyone has a copy of his report and that he had nothing else to add to his report. Mr. Klipstein asked if anyone had any questions.

#### NEW BUSINESS

Executive Director Patterson discussed the Resolution for the 2015 Authority Meeting dates, times and locations. Ms. Blew moved the Resolution establishing the dates, times and locations for the Authority meetings scheduled in 2015. Mr. Picco seconded this resolution. All Authority members approved the resolution.

Ms. Gates gave a report on the Unaudited Financial Statements for the three months ending September 30, 2014 and stated that the reports were distributed and also posted on the Authority's website. Ms. Gates stated that the financial performance is on track for the fiscal year. Ms. Gates stated that no action is required by the Board today.

Ms. Gates gave the background information on the Resolution authorizing the placement of the Authority's Insurance Program for the period of March 1, 2015 through February 29, 2016. Ms. Gates explained that this Resolution authorizes the binding of insurance, with the approval of the Chair Insurance Committee, to place/renew the insurance program by March 1, 2015 and further ratified in a Resolution at a subsequent Authority Meeting. Mr. Havens moved the Resolution authorizing the placement of the Authority's Insurance Program for the period of March 1, 2015 through February 29, 2016. Mr. Picco seconded the motion for the Resolution. All Authority members approved the Resolution.

Ms. Hajdusek provided the background information on the Resolution authorizing the Executive Director to purchase a fee simple interest in Block 130, Lot 8.01, Howell Township, Monmouth County. Ms. Hajdusek stated that by Resolution No. 2171, dated October 6, 2014, the Authority previously authorized negotiation and execution of a contract to purchase a fee simple interest in the property located in Howell Township, Monmouth County.

Ms. Hajdusek stated that funding for the Authority's contribution will come from surplus Manasquan Reservoir System Source Water Protection Funds. Mr. Havens moved the Resolution authorizing the Executive Director to purchase a fee simple interest in Block 130, Lot 8.01, Howell Township, Monmouth County. Dr. Hsueh seconded the motion for the Resolution. All Authority members approved the Resolution.

Mr. McKeon provided the background information on the Resolution authorizing the Executive Director to enter into a purchase agreement for polyaluminum chloride for the Manasquan Water Treatment Plant in, Allenwood, Monmouth County. Mr. McKeon stated that the Authority advertised for bids for a 12-month purchase of polyaluminum chloride in three newspapers of general circulation. The advertisement for bids was also posted on the New Jersey Business Opportunities web site and on the Authority's web site. Mr. McKeon further stated that seven (7) bids were received and opened at a public bid opening on October 16, 2014, three (3) of the bids were for polyaluminum chloride. Authority staff reviewed the bids and Mr. McKeon provided the details on the amounts of the bids received. Authority staff recommended that a purchase order agreement be issued to Gulbrandsen Technologies, Inc. of Clinton, NJ for polyaluminum chloride, for a unit cost of \$0.13/pound and total cost not to exceed \$63,700.00. Mr. McKeon stated that two other chemicals were under the threshold and did not require the approval of the Board.

Ms. Blew moved the Resolution authorizing the Executive Director to issue a purchase order agreement to Gulbrandsen Technologies, Inc. of Clinton, NJ for polyaluminum chloride, for a unit cost of \$0.13/pound and total cost not to exceed \$63,700.00. Mr. Picco seconded the motion. All Authority members approved the resolution.

Mr. McKeon provided the background information on the Resolution authorizing the award of a contract for the Electrical Testing and Maintenance Program at the Manasquan Water Supply System in Wall, Monmouth County. Mr. McKeon stated that the Authority advertised in three newspapers of general circulation. The advertisement for bids was also posted on the New Jersey Business Opportunities web site and on the Authority's web site. Mr. McKeon further stated that four (4) bids were received and opened at a public bid opening on November 13, 2014. Authority staff reviewed the bids and Mr. McKeon provided the details on the amounts of the bids received. Authority staff reviewed the bid of Reuter & Hanney, Inc. of Ivyland, PA and found it to be legally responsive and in compliance with the requirements of the technical specifications. Mr. Havens moved the Resolution authorizing the Executive Director to enter into a contract with Reuter & Hanney, Inc. of Ivyland, PA to furnish all labor, equipment and materials necessary to perform electrical testing and maintenance program for the Manasquan Water Supply System, Wall, Monmouth County, NJ for a

lump sum of \$28,150.00. Ms. Blew seconded the motion for the Resolutions. All Authority members approved the Resolutions.

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

Mr. Engler stated that Gordon Sell, Friends of Spruce Run, will represent the Hunterdon County Sailing Club at future Authority Board meetings. Mr. Engler stated that the Hunterdon County Sailing Club's membership consist of 130 families.

Mr. Shope asked whether the property being purchased in Manasquan by the Authority and the Monmouth County Board of Chosen Freeholders is a buildable lot.

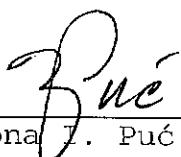
EXECUTIVE SESSION

There was no need for an Executive Session.

ADJOURN

Mr. Havens moved to adjourn the meeting. Ms. Blew seconded the motion. All Authority members approved of the motion. The meeting was adjourned at 2:20 P.M.

I hereby certify this to be a true and original copy of the December 1, 2014 New Jersey Water Supply Authority meeting minutes.

  
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Zenona J. Puć  
Executive Secretary II