



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 August 1, 2016

A regular meeting of the New Jersey Water Supply Authority was convened on August 1, 2016 at 2:00 P.M. in the Conference Room of the New Jersey Water Supply Authority's Manasquan Water Supply System Administration Building located on Hospital Road, Wall, New Jersey.

As designated by Bob Martin, 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 Jung Kim read the statement required by the "Open Public Meeting Act".

Director of Finance and Administration, Beth Gates, took the roll call of the Authority members.

Present: Jeffrey Hoffman, Acting Chair
Ellsworth Havens
Shing-Fu Hsueh - by phone
Robert Iacullo
Louis Mai
Steven Picco - by phone

Absent: Susan Blew

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

Authority Staff Present:

Beth Gates, Director Finance & Administration
Michelle Rollman, Executive Secretary II
Marc Brooks, Chief Engineer
Alex Michalchuk, Senior Project Engineer
Susan Buckley, Controller - by phone
Paul McKeon, Director Manasquan Water Supply System/D&R Canal

Jung Kim, Deputy Attorney General
Lisa R. LeBoeuf, Governor's Authorities Unit

APPROVAL OF THE MINUTES

Acting Chair Hoffman asked for the approval of the minutes of the June 6, 2016 meeting. Mr. Mai moved the motion approving the Minutes as prepared and the motion was seconded by Mr. Havens. The Minutes of the June 6, 2016 meeting were approved by the Board.

EXECUTIVE DIRECTOR'S REPORT

Ms. Gates stated that she had nothing to add to the Executive Director's written report except that the auditing firm, CliftonLarsonAllen is currently on site at the Clinton Administrative office performing two weeks of field work on the Authority's audited financials for Fiscal Year 2016.

COMMUNICATIONS/CORRESPONDCE

Ms. Gates stated that there was no communications and correspondence received.

UNFINISHED BUSINESS

Mr. McKeon provided a report on the Manasquan Reservoir System and Water Treatment Plant. The Reservoir is at 83 percent capacity which is 9 percent below the historic average for the end of July because of low rainfall in June, despite that there was an increase in rainfall in July. Mr. McKeon described a problem in which dislodged grout surrounding the underdrains of one of three filter units at the Water Treatment Plant has caused the media to partially evacuate the filter. As a result, the filter is out of service. With the use of the new concrete wall in the distribution tank, New Jersey American Water is able to receive river water at the same time that reservoir water is fed to the treatment plant as it is better for the two remaining filters that are now working at increased capacity. As a backup to these two units, a Pall membrane filtration unit is being rented; the failure of a second filter would prevent the Authority from meeting its contractual requirements. This temporarily installed unit is capable of filtering one million gallons per day utilizing membrane technology rather than chemicals and will provide valuable experience to Authority staff in its use and technology. Pending approval from the New Jersey Department of Environmental Protection ("NJDEP"), the unit will be tested under varied conditions. The unit costs approximately \$60,000 per month to rent and approximately \$1,000,000 to purchase.

Mr. Brooks provided a report on the Raritan Basin System. Mr. Brooks stated that there have been 7.00 inches of rain in Clinton during the month of July, 3.6 of which have occurred since last Thursday. Spruce Run is at 7.01 billion gallons which is 64 percent of capacity. Round Valley is at 44.25 billion gallons which is 80

percent capacity. The combined capacity is 78 percent while the average for this time of year is 94 percent.

Mr. Brooks stated that approximately 710 million gallons were pumped to the Round Valley Reservoir through the South Branch Pumping Station from May 3 to June 9, 2016. Low river flows restricted the amount that was pumped; however, the action provided training to staff and an opportunity for contractor testing of the refurbished pumps and motors.

Mr. Brooks stated that there has been difficulty passing water through the western section of the canal due to weed growth. Hydroraking is being performed in the heavily weeded area near Washington's Crossing. Hydrilla, an aquatic invasive species, was found in the process and the Authority is working on a management plan which will be coordinated with the NJDEP and downstream water customers. Ten-Mile Pumping Station has been in operation to move water from the Raritan River into the Canal. Water has also been diverted from Carnegie Lake. Recent heavy rains have now filled the canal and at this time, pumping is no longer necessary.

Mr. Brooks reported that the project to repair the pin-hole leak in the pipe at the Spruce Run Release Works has been completed. A photograph was distributed.

Mr. Brooks stated that three fee proposals for the Round Valley Dam Rehabilitation project were received from the firms that were technically rated highest by the review committee. The proposals are being reviewed by staff.

Mr. Brooks reported that construction will begin on Wednesday, August 3, 2016 on the Cherry Tree Lane Spillway.

Mr. Brooks stated that another area of seepage was reported by a member of the public on the canal near Titusville. Staff has inspected the seepage and considers it an issue, but not an emergency since there is no sinkhole or other factors that existed as was the case in Franklin Township. Mr. Brooks distributed an image of the seepage. A plan is being developed to make a repair by digging a trench and filling it with clay cutoff. Mr. Picco asked if there is a regular process to inspect for seepage. Mr. Brooks stated that seepage is often difficult to observe due to vegetation and access issues, but that staff continually monitors the canal. Mr. Hoffman suggested, and Mr. Brooks discussed the possibility of using thermal imaging.

Ms. Gates stated that Mr. Klipstein was not present at the meeting but that everyone has a copy of his report and offered to answer any questions, of which there were none.

NEW BUSINESS

Mr. Brooks provided background information on the Resolution ratifying the actions of the Executive Director in Executing a Construction Contract Required for the Emergency Repairs to the Sinkhole and Seepage in the Canal Embankment at Approximate Station 2680+72 in Franklin Township, Somerset County. A member of the public reported the presence of a sinkhole on the canal towpath in Franklin Township to the New Jersey State Park Service ("Parks"). Authority maintenance staff filled the sinkhole and cleared vegetation to allow for thorough inspection. Five seepage points were identified by Authority Engineering staff. These seepage points, in combination with the sinkhole, indicated that a piping condition was present. Civil Dynamics, a professional engineering firm, was chosen to provide consulting services and recommended that a repair be made in an expedited time frame. Mr. Brooks noted that the location of the sinkhole was of particular concern because of the lack of a redundant water supply in that area. The Executive Director certified that this was an emergency condition and met the requirements as set out in Executive Order 37.

Civil Dynamics provided a design calling for an 80 linear foot row of steel sheet piling to be driven down the center line of the tow path. Following discussion and verbal approval of the proposed method with Senior Deputy Attorney General Helene Chudzik, Authority staff sought and received specific written permission for the proposed abbreviated procurement methods for both professional engineering and construction contract purposes from the three members of the Capital Project Committee and the Acting Chair of the Authority Board. Three bids were received from contractors on May 31, 2016. On a recommendation from engineering staff and the consulting engineer, a contract was executed by the Executive Director with Sparwick Contracting, Inc. who provided the lowest bid in the amount of \$68,240 on June 8, 2016. The contractor was able to mobilize the work within a week and completed the project in three days. Mr. Brooks stated that as the work was completed, the seepage turned muddy for a moment and then stopped completely, providing a high level of confidence in the success of the project. Mr. Havens moved the Resolution ratifying the actions of the Executive Director in Executing a Construction Contract Required for the Emergency Repairs to the Sinkhole and Seepage in the Canal Embankment at Approximate Station 2680+72 in Franklin Township, Somerset County. Mr. Iacullo seconded the motion. All Authority members approved of the resolution.

Mr. Brooks provided background information on the Resolution authorizing the award of a Purchase Order for a John Deere 5100E 85-Horsepower Utility Tractor or approved equal for the Raritan Basin System. There is a need for a new tractor in the Raritan Basin System. The old tractor has met the end of its useful life. The tractor is used for heavy-duty mowing and brush-hogging on low mow areas such as pipeline easements. Advertisements for bids were published on May 2 and May 5, 2016. Four bids were received at a

public bid opening on May 18, 2016. The low bid was provided by Storr Tractor Company in the amount of \$49,513. Mr. Brooks noted that Storr Tractor Company proposed a Case "Farmall 100 cc tractor" as an equal to the specified John Deere model. Mr. Picco moved the Resolution authorizing the award of a Purchase Order for a John Deere 5100E 85-Horsepower Utility Tractor or approved equal for the Raritan Basin System. Mr. Mai seconded the motion. All Authority members approved of the resolution.

Ms. Gates provided background information on the Resolution accepting the Collective Bargaining Agreement between the State of New Jersey and the International Federation of Professional and Technical Engineers ("IFPTE") for the period July 1, 2015 through June 30, 2019. The Authority has contracts with three employee unions, IFPTE, the Communications Workers of America ("CWA") and the International Brotherhood of Electrical Workers ("IBEW"). The state of New Jersey has successfully negotiated with IFPTE and the contract has been ratified by the union. The proposed resolution allows the Authority to implement the negotiated contract terms for IFPTE. Ms. Gates reviewed certain specific features of the negotiated contract and the number of affected employees was discussed. Mr. Iacullo moved the Resolution accepting the Collective Bargaining Agreement between the State of New Jersey and the International Federation of Professional and Technical Engineers ("IFPTE") for the period July 1, 2015 through June 30, 2019. Mr. Havens 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

There were no public comments.

EXECUTIVE SESSION

Deputy Attorney Jung Kim read the statement to go into Executive Session. Mr. Mai moved the motion to go into Executive Session which Mr. Iacullo seconded. All Authority members approved the motion.

RETURN TO PUBLIC SESSION

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

Mr. Havens moved to adjourn the meeting. Mr. Iacullo seconded the motion. All Authority members approved of the motion. The meeting was adjourned at 2:55 P.M.

I hereby certify this to be a true and original copy of the August 1, 2016 New Jersey Water Supply Authority meeting minutes.

Michelle Rollman

Michelle Rollman
Executive Secretary II



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Minutes of the Executive Session
New Jersey Water Supply Authority
August 1, 2016

There was a need for an Executive Session to discuss contract negotiations for the Round Valley Dam Rehabilitation Project and personnel matters. Deputy Attorney Jung Kim read the statement to go into Executive Session. Mr. Mai moved the motion to go into Executive Session which Mr. Iacullo seconded. All Authority members approved the motion.

Authority engineering staff described the Round Valley Rehabilitation Project and the process through which fee proposals are being contrasted and evaluated and potential points of negotiation with the top ranked firm. Specific costs, construction assumptions, timelines, public outreach and comparative methodologies were discussed. Commissioner Mai asked a question about subcontractors to which staff will follow up.

The engineering staff and Michelle Rollman left the room.

The Board discussed upcoming retirements and recruiting strategies.

Mr. Mai moved to go back into the regular Board Meeting. Mr. Iacullo seconded the motion. All Authority members approved the motion.

I hereby certify this to be a true and original copy of the August 1, 2016 New Jersey Water Supply Authority Executive Session Meeting minutes.

Michelle Rollman

Michelle Rollman
Executive Secretary II