



NEW JERSEY WATER SUPPLY AUTHORITY

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Minutes of the Meeting of the New Jersey Water Supply Authority

September 12, 2016

A regular meeting of the New Jersey Water Supply Authority was convened on September 12, 2016 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, Patricia Gardner, Director 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 Meetings Act". Executive Director Henry S. Patterson took the roll call of the Authority members.

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

A quorum existed for the transaction of Authority business.

Interested Parties Present:

Oleg Kostin, New Jersey American Water
Ed Walker, East Brunswick Water and Sewer Utility
Frank Falco, Middlesex Water and East Brunswick
David Brogle, Middlesex Water and East Brunswick
Charles Engler, Friends of Spruce Run
David Shope, Resident

Authority Staff Present:

Henry S. Patterson, Executive Director
Michelle Rollman, Executive Secretary II
Susan Buckley, Controller
Julie Shelley, Permit/Property Administrator
Mark Brooks, Chief Engineer
Paul McKeon, Director Manasquan Water Supply System
Kenneth Klipstein, Director Watershed Protection Programs
Jung Kim, Deputy Attorney General
Michael Collins, Governor's Authorities Unit

APPROVAL OF THE MINUTES

Acting Chair Gardner asked for a motion for approval of the Minutes of the August 1, 2016 meeting. Mr. Mai moved the motion approving the Minutes as prepared and the motion was seconded by Ms. Havens. The Minutes of the August 1, 2016 meeting were approved by the Board.

EXECUTIVE DIRECTOR'S REPORT

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

Mr. Patterson stated that it has been dry and that all of the reservoirs are low. Mr. Patterson noted that since writing his report, the United States "Drought Monitor" website has reclassified more of Northern and Central New Jersey as a "Moderate Drought" or "Abnormally Dry".

Mr. Patterson stated that the weed-raking in portions of the Delaware & Raritan Canal has been completed and has resulted in a significant increase in Canal flows. Mr. Patterson indicated that Marc Brooks and Ken Klipstein will discuss this further in their reports.

Mr. Patterson stated that there is a resolution on the agenda for approval to execute a contract to procure the services of the engineer of record for the Round Valley Reservoir Dams - Rehabilitation and Resource Preservation Project.

Mr. Patterson stated that the Independent Auditors have completed all their field work. Mr. Patterson stated that we know of no issues and anticipate that the Audit will be presented at the October Authority Meeting.

COMMUNICATIONS/CORRESPONDENCE

Mr. Patterson stated that there were no communications or correspondence received.

UNFINISHED BUSINESS

Mr. McKeon provided the operations report for the Manasquan Reservoir System and the Manasquan Water Treatment Plant /Transmission System. Mr. McKeon stated that the reservoir has dropped since the writing of his report and is at approximately 70 percent of capacity which is about 15 percent below the historic average for this time of year. New Jersey American Water is purchasing an additional five million gallons per day ("MGD").

Mr. McKeon stated that there are some algae issues in the reservoir which are being monitored.

Mr. McKeon stated that the Treatment plant is running well and Marc Brooks will be discussing the ongoing project to fix the underdrains. The two functioning filters are working adequately to meet customer demands. The rented filter unit which was approved for use by the New Jersey Department of Environmental Protection ("NJDEP") was used for five weeks and provided good experience to the staff.

Mr. Brooks reported on the Raritan Basin System operations. Mr. Brooks stated that while there was some rain fall in July, the month of August and the first weeks of September were very dry. As of Friday, Spruce Run was at just under six billion gallons, which is approximately 54 percent of the eleven billion gallon capacity. Round Valley is at approximately 42 billion gallons, which is 76 percent of the 55 billion gallon capacity. Together they are at a combined 72.6 percent capacity, while the average for this time of year is 91.3 percent.

Mr. Brooks gave an update on the D&R Canal. Mr. Brooks noted that the Hydro-raking of the western section of the Canal has been completed and that the flow of water has significantly improved. Hydrilla, a very invasive aquatic vegetation, was identified and a management plan is being developed to address it.

Mr. Brooks stated that the contractor is moving forward very quickly on the Cherry Tree Lane Spillway project. Most of the demolition is complete. Mr. Brooks stated that an initial layer of concrete, called a "mud slab" has been poured as well as sections of the concrete spillway apron.

Mr. Brooks reported on the area of seepage on the river side slope of the canal near Titusville which was reported by a member of the public. Mr. Brooks reviewed the history of the issue which was not determined to be an emergency. As a mitigation measure, staff excavated a six-foot trench down the center of the tow path in the middle of the embankment which was back-filled with clay to act as a cut-off to the water. This action has reduced the seepage and the situation continues to be monitored to determine if more robust repairs will be required.

Mr. Klipstein discussed the significance of the Hydrilla which was discovered during the hydro-raking of the canal. Hydrilla is a highly invasive aquatic weed that spreads very quickly and can grow from small fragments. Mr. Klipstein noted that while hydro-raking is effective at controlling Hydrilla in the short term, it can increase the spread of the plant through fragmentation. Mr. Klipstein highlighted the importance of public outreach. Contact has been made with the New York State Task Force which has experience with the problem. Treatment will require the application of chemicals, which is complicated in situations with moving water. A survey group is currently assessing the spread of Hydrilla in the canal. Coordination will be required with State

Parks and user groups. Additional information will be presented at the October meeting if time allows.

NEW BUSINESS

Mr. Brooks provided the background information on the Resolution authorizing the award of a contract for professional engineering services required for Round Valley Reservoir Dams - Rehabilitation and Resource Preservation Project, Clinton Township, Hunterdon County. Mr. Brooks reviewed the recommendations of the technical review boards for budgeting, engineering and planning for necessary modifications to all three Round Valley embankments.

Mr. Brooks stated that the first step in the process is to procure the services of a professional engineer to act as the engineer of record. Advertisements for technical proposals were made on March 3, 2016, with one amendment issued on April 26, 2016. Mr. Brooks stated that six technical proposals were received and evaluated by a technical review committee comprised of Authority staff and a representative of the NJDEP Bureau of Dam Safety. Mr. Brooks noted that a summary of the results are listed in the written Board memorandum.

Mr. Brooks stated that fee proposals were requested and received from the top three rated firms. Mr. Brooks discussed the evaluation process and the extensive measures taken to compare the levels of effort and associated costs proposed by each firm for each specific task. Mr. Brooks provided specific examples of the process. Mr. Brooks stated that at the end of the scope equality comparisons and after negotiation, Schnabel Engineering, the firm rated highest by the technical review committee, provided the lowest cost proposal. Mr. Brooks noted that due to the magnitude and tight schedule of the project, an allowance is included in the resolution that would permit the Executive Director to execute change orders up to \$100,000 after receiving approval from the entire Capital Projects committee in lieu of approval by the entire Board. Staff recommends that a contract be awarded to Schnabel Engineering of West Chester, Pennsylvania for a lump sum and reimbursable cost not to exceed amount of \$9,308,154.00.

Mr. Havens moved the Resolution authorizing the award of a contract for professional engineering services required for Round Valley Reservoir Dams - Rehabilitation and Resource Preservation Project, Clinton Township, Hunterdon County. Mr. Mai seconded this motion. All Authority members approved the resolution.

Mr. Brooks provided the background information on the Resolution ratifying the actions of the Executive Director in Executing a Professional Services Contract Required for the Emergency Repairs to the Underdrain Portion of the Three Water Filtration Units at the Manasquan Water Treatment Plant in Allenwood, Monmouth County. Mr. Brooks stated that one of the

three clarifier/filter water treatment units at the Manasquan Water Treatment Plant began passing filter media into the effluent water piping system during a backwash. Following investigation by staff, the filter was taken out of service and slated for repairs. Because all three filter units are identical and built at the same time, concerns for similar failures in the other two units are high. Mr. Brooks stated that as a result of those concerns, Authority staff considered this to be an emergency that met the requirements of Executive Order 37. Following discussions with Senior Deputy Attorney General Chudzik, staff received written approval from the Acting Chair and all three members of the Capital Projects committee as follows: to contract with Hazen and Sawyer, the consulting Engineer to design and oversee construction of emergency repairs to the underdrain of filter #1; to procure price quotes from at least three contractors to make repairs to the underdrain of filter #1; and to solicit bids on a non-emergent basis to repair filters #2 and #3. On August 8, 2016, a purchase order agreement was executed by the Executive Director with Hazen and Sawyer, LLC., in the amount of \$76,716.00.

Mr. Mai asked questions regarding the filter backwash and how many years of service were provided by the filters. Mr. Brooks stated that the filters have been in use for 14 years.

Mr. Iacullo moved the Resolution ratifying the actions of the Executive Director in Executing a Professional Services Contract Required for the Emergency Repairs to the Underdrain Portion of the Three Water Filtration Units at the Manasquan Water Treatment Plant in Allenwood, Monmouth County. Mr. Picco seconded this motion. All Authority members approved the resolution.

Mr. McKeon provided the background information on the Resolution authorizing the Executive Director to enter into a contract for the purchase and installation of security video surveillance and appurtenant work at the Manasquan Water Supply System Reservoir, Howell Township, Monmouth County. Mr. McKeon stated that in 2014 a letter was received from the NJDEP Dam Safety and Flood Control Unit requesting that security cameras and a DVR system be installed at the Manasquan Reservoir Dam and Dike because of terrorism concerns. Plans were developed and the Authority advertised for bids. Four bids were received and reviewed. Staff recommends that the Authority enter into a contract with Gary Kubiak & Son Electric, of Robbinsville, New Jersey for the purchase and installation of security video surveillance equipment at the Manasquan Reservoir System for a lump sum cost of \$74,900.00.

Ms. Blew moved the Resolution authorizing the Executive Director to enter into a contract for the purchase and installation of security video surveillance and appurtenant work at the Manasquan Water Supply System Reservoir, Howell Township, Monmouth County. Mr. Picco seconded this motion. All Authority members approved the resolution.

Mr. McKeon provided the background information on the Resolution authorizing the Executive Director to enter into a contract for the application of seal coat to asphalt driveways, roads, and parking areas at the Manasquan Reservoir System, Wall and Howell Townships, Monmouth County. Mr. McKeon noted that Planned Capital Improvements for Fiscal Years 2016-2020 identified that there is a need to seal coat the pavement at the Manasquan facilities to extend the life of the pavement which has been in service since the construction of the facility in 1989. Quotes were solicited from eight contractors in the area. Mr. McKeon stated that four responses were received, but that none of these respondents were willing to comply with state criteria. Bids were then solicited from additional contractors within a wider geographical range. One bid was received from U.S. Outworkers of Glenwood, New Jersey for \$24,625.00 with an additional (second) coat to be provided for \$3,575.00. The bid was reviewed by staff and found to be responsive. Staff recommends that the Authority enter into a contract with U.S. Outworkers, Inc., of Glenwood, New Jersey for sealcoating of 223,000 square feet of asphalt pavement at the Manasquan Reservoir System for a lump sum cost of \$28,200.00.

The Board discussed the cost of the second coat relative to the initial coat and cost proposals of the original bids.

Ms. Blew moved the Resolution authorizing the Executive Director to enter into a contract for the application of seal coat to asphalt driveways, roads, and parking areas at the Manasquan Reservoir System, Wall and Howell Townships, Monmouth County. Mr. Havens seconded this motion. All Authority members approved the resolution.

Mr. McKeon provided the background information on the Resolution authorizing the Executive Director to enter into a contract for the refurbishing of a single stage vertical turbine pump at the Manasquan River Intake Facility, Wall Township, Monmouth County. Mr. McKeon stated that one of the five pumps at the Intake pumping station was last rebuilt with a new bowl assembly in 2003 and has developed vibration problems. It was determined that the pump should be refurbished because of its age and hours of usage. The Authority advertised for bids and three bids were received. One bid was significantly lower than anticipated and was subsequently withdrawn in accordance with Authority procurement policies because it was determined to have been provided in error. Staff recommends that the Authority enter into a contract with All Mechanical Services, of Perth Amboy, NJ for the Intake Pump #1 refurbishment at the Manasquan Reservoir System for a lump sum cost of \$36,748.00.

Mr. Mai moved the Resolution authorizing the Executive Director to enter into a contract for the refurbishing of a single

stage vertical turbine pump at the Manasquan River Intake Facility, Wall Township, Monmouth County. Mr. Hsueh seconded this motion. All Authority members approved the resolution.

Mr. Patterson provided the background information on the Resolution authorizing the Executive Director to negotiate and execute a contract with the Renaissance at Monroe Condominium Association for uninterruptible service from the Raritan Basin System. Mr. Patterson stated that the Renaissance at Monroe Condominium Association is a development in Monroe Township that received a water allocation permit from the NJDEP in 2013. A notice of Public Hearing was advertised, but no objections were raised and the hearing was cancelled. Mr. Patterson stated that the application is for an uninterruptible supply contract of .016 million gallons per day ("MGD"), of which .014 MGD is deemed consumptive, for the period of January 1, 2017 through June 30, 2023.

Mr. Havens moved the Resolution authorizing the Executive Director to negotiate and execute a contract with the Renaissance at Monroe Condominium Association for uninterruptible service from the Raritan Basin System. Mr. Iacullo seconded this motion. All Authority members approved the resolution.

Ms. Shelley provided the background information on the Resolution authorizing execution of a contract to sell a fee simple interest in the Goodyear house at 107 Old Mountain Road, Clinton Township, Hunterdon County. Ms. Shelley stated that the property was initially acquired in the 1970s as part of the Round Valley Release Line construction. There is a house on the property which has been occupied by employee tenants for the purpose of having on-call, emergency personnel available in close proximity. Ms. Shelley stated that the property has been vacant since an employee retired in May. On assessment, it is the opinion of Authority staff that there is no longer a need for on-site emergency personnel at this particular site because of current communications technology, and that the costs of maintaining the property exceed the value of having an employee tenant at this location. Under the advice of the Deputy Attorney General, a broker has been chosen through the Authority procurement process and the property has been appraised and advertised. Staff recommends approval of a resolution authorizing the execution of a real estate sale contract with a prequalified buyer and other documents related to its sale as necessary.

The Board discussed the property lot and access easement for pipeline maintenance.

Ms. Blew moved the Resolution authorizing execution of a contract to sell a fee simple interest in the Goodyear house at 107 Old Mountain Road, Clinton Township, Hunterdon County. Mr. Havens

seconded this motion. All Authority members approved 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. Engler introduced himself and his interest in protecting recreational facilities. On behalf of the "Friends of Spruce Run," Mr. Engler expressed disappointment with the current water level at Spruce Run in comparison with the previous year.

Mr. Shope introduced himself and posed questions regarding Mr. McKeon's report of algae at the Manasquan Reservoir. Mr. McKeon indicated that the current concentration of algae does not warrant action at this time, but will continue to be monitored under the advice of a consulting limnologist.

EXECUTIVE SESSION

There was no need for an Executive Session.

ADJOURN

Mr. Picco moved to adjourn the meeting. Mr. Mai seconded the motion. All Authority members approved of the motion. The meeting was adjourned at 2:45 P.M.

I hereby certify this to be a true and original copy of the September 12, 2016 New Jersey Water Supply Authority meeting minutes.

Michelle Rollman

Michelle Rollman
Executive Secretary II