



## NEW JERSEY WATER SUPPLY AUTHORITY

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### Minutes of the Meeting of the New Jersey Water Supply Authority August 3, 2015

A regular meeting of the New Jersey Water Supply Authority was convened on August 3, 2015 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, Karen Fell, Assistant Director, Division of Water Supply and Geoscience, served as Acting Chair of the meeting and called the meeting to order.

Deputy Attorney General Melissa Abatemarco read the statement required by the "Open Public Meeting Act".

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

Present: Karen Fell, Acting Chair  
Susan Blew  
Ellsworth Havens - by phone  
Shing-Fu Hsueh - by phone  
Robert Iacullo  
Louis Mai  
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  
Robert Barth, D&R Canal Watch

Authority Staff Present:

Henry S. Patterson, Executive Director  
Zenona I. Puć, Executive Secretary II  
Marc Brooks, Chief Engineer - by phone  
Beth Gates, Director Finance & Administration - by phone  
Susan Buckley, Controller  
Paul McKeon, Director Manasquan Water Supply System/D&R Canal  
Melissa Abatemarco, Deputy Attorney General  
Lisa R. LeBoeuf, Governor's Authorities Unit

## APPROVAL OF THE MINUTES

Acting Chair Fell asked for the approval of the minutes of the June 1, 2015 meeting. Mr. Iacullo moved the motion approving the Minutes as prepared and the motion was seconded by Mr. Mai. The Minutes of the June 1, 2015 meeting were approved by the Board.

## EXECUTIVE DIRECTOR'S REPORT

Mr. Patterson stated that combined storage for Raritan System Reservoirs remains below historic averages, Round Valley at 89.3 of capacity and Spruce Run at 96.6 percent of capacity. Manasquan is at 89 percent of capacity

Timely precipitation in June resulted in an improvement in U.S. Drought Monitor classification for Northern and Central New Jersey from "Abnormally Dry" to "None".

Mr. Patterson stated that the Technical Review Board (TRB) met during the week of July 13, 2015. Their report is still pending.

Mr. Patterson also stated that the Auditors have almost completed their field work for the annual audit.

Mr. Patterson stated that the State Ethics Commission training for NJWSA Board Members was held prior to this meeting.

## COMMUNICATIONS/CORRESPONDCE

Mr. Patterson stated that there was no communications and correspondence received.

## UNFINISHED BUSINESS

Mr. McKeon provided a report on the Manasquan Reservoir System and noted that the reservoir is approximately 3 percent below normal for the beginning of August. The water quality is good and there are no algae issues. Mr. McKeon stated that there are a couple of projects coming up for the September/October time frame.

Mr. Brooks stated that the Technical Review Board (TRB) took place the week of July 13 to continue their work on the Round Valley Dams. The report is still pending. Mr. Brooks stated that it was well attended by Authority staff and that it was an excellent training opportunity for staff.

Mr. Brooks stated that the factory testings on Pump Assemblies #1 and #6 are completed. Mr. Brooks stated that the Pumps have been returned to the South Branch Pump Station (SBPS) and the contractor will reinstall the pumps in the coming weeks. Testing of the pumps will be in early fall.

Mr. Brooks stated that rehabilitation of the D&R Canal Field Office is ongoing. Mr. Brooks stated that the drainage improvements and the gas island work have been completed. The roofing work remains to be completed and the paving work will be the last project to be completed.

Mr. Brooks stated that the schematic design work on the embankment between Bulls Island and Prallsville is completed. Mr. Brooks stated that the Authority has also received the conceptual approvals from the Delaware and Raritan Canal Commission (DRCC) and the State Historic Preservations Office (SHPO).

Mr. Brooks stated that the Authority is expecting the schematic design report soon for the Western Canal Embankment in Stockton. Mr. Brooks stated that the next step will be to get conceptual approvals from the DRCC and SHPO before final design.

Mr. Brooks stated that conceptual approval for the Cherry Tree Lane Spillway project from the DRCC and SHPO was received and final design is in progress. Mr. Brooks stated that construction is expected to begin late spring of 2016.

Mr. Brooks stated that in accordance with Authority By-Laws all Change Orders approved by the Chair of the Capital Projects Committee must be reported to the Board. Mr. Brooks stated that the Change Order for Hatch Mott MacDonald (HMM) to provide construction inspection services for one week in July 2015, for the Engineering Consultant on the Canal Field Office project, was approved at the last Board meeting. The proposal for the five days inspection was a reimbursable-cost-not-to-exceed a total of \$5,223 bringing HMM's total professional services contract to \$139,528. Mr. Brooks stated that Authority staff recommended the change order and approval from Commissioner Havens, Chair of the Capital Projects Committee was received.

Mr. Patterson stated that Mr. Klipstein was not present at the meeting but that everyone has a copy of his report. Mr. Patterson highlighted two projects that the Watershed Unit is working on which are working closely with the ongoing color issue at the Manasquan Reservoir System and working with NJDEP regarding non-point source implementation projects.

#### NEW BUSINESS

Ms. Gates provided the background information on the resolution concerning participation in the New Jersey Consolidated Energy Supply Program (NJCESP) aggregation and purchase of electric power. Ms. Gates stated that the program is in compliance with New Jersey Electric Discount and Energy Competition Act (EDECA) and it is managed by the Board of Public Utilities (BPU). Ms. Gates stated that the three year program that NJCESP was operating under expired in June 2015. NJCESP requested and the power providers granted a six

month extension. Ms. Gates explained that during the six month extension through December 2015, the Direct Energy GT tariff rate is being reduced from \$.0779 kWh to \$.0725 kWh. Due to the Authority's superior energy usage profile, the Authority is anticipating separate and more favorable pricing for its accounts. Mr. Havens moved the resolution concerning participation in the New Jersey Consolidated Energy Supply Program (NJCESP) aggregation and purchase of electric power. Ms. Blew seconded the 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
- (d) Public Participation - no report
- (e) Capital Projects - no report
- (f) Insurance - no report
- (h) Watershed Lands Acquisition Committee - no report

PUBLIC COMMENT

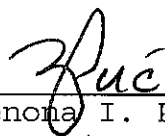
There were no public comments by the public.

EXECUTIVE SESSION

There was no need for an Executive Session

Mr. Mai moved to adjourn the meeting. Mr. Iacullo seconded the motion. All Authority members approved of the motion. The meeting was adjourned at 2:14 P.M.

I hereby certify this to be a true and original copy of the August 4, 2015 New Jersey Water Supply Authority meeting minutes.

  
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Zenona I. Puć  
Executive Secretary II